The Financial Post

Canada's National Weekly of Business, Investment and Public Affairs.

Vol. XLV | Member of Audit Bureau of Circulations | Publication Office: Toronto, August 4, 1951 | Fifteen Cents an Issue, Six Dollars a Year | No. 31

Seaway His Baby

Key man in the multi-million dollar St. Lawrence Seaway and power decision now facing the Cabinet (see story page 11) is Transport Minister Lionel Chevrier, K.C. To official responsibility is added deep personal interest. As Transport Minister his would be the department to undertake construction if and when the present Cabinet should decide to go ahead. As M.P. for Storemount County (continuously since 1935), his constituency is the area (taking in Cornwall) most directly affected. A graduate of Ottawa University and Osgoode Hall, Mr. Chevrier, 48, is completely bilingual, has been Transport Minister since 1945.

THE NATION'S BUSINESS

It Was a Great Week For Prince of Cynics

The past week would have been most enjoyable for Niccolo Machiavelli, the prince of cynics and the master of politics in the least creditable sense of that word.

In Washington we saw cynical politics blocking the St. Lawrence project.

Despite the hopeful headlines about Canada doing the job alone, it is hard to see any end to the blockade.

Because, as pointed out in a very useful article on page 11, Canada cannot legally proceed without U. S. agreement, and the opportunities for the U. S. opponents to continue fighting seem almost endless.

So "politics" won a major victory and a power-short continent still goes on letting nine million horsepower go to waste in its industrial heartland and mighty natural highway vital to the development of natural resources remains blocked.

The "victory" was an American victory over Canada; a victory by the author of the "good neighbor" policy over one of the few dependable allies the U. S. has. It was a victory calculated to weaken the common defense effort of the two countries. It was won by selfish, regionally-minded politicians despite the pleadings of their own government. Machiavelli could hardly have thought of a more ironic twist.

Old Niccolo would also have been delighted with events in England.

The Labor Government has frozen dividend payments for the admitted reason that Labor doesn't like dividends and because, in its view, rising dividends have been a material factor in the rising cost of living.

Dividends are such a small ripple in the pool of purchasing power, particularly after they are taxed, that it is fantastic nonsense to pretend they are consequential to an inflation. But they are extremely consequential to industry; to the maintenance of jobs and the creation of new jobs.

The Economist of London snorts:

> "This is the latest and worst example of tilting at windmills and attacking symptoms. If the amateur psychologists of the Treasury bench had any political courage they would shrink from proposals that would damage for all time the prospects of a free, healthy and progressive industrial economy in this country."

By reimposing price controls, the Attlee politicians bend before the winds of mass clamor, and further bewitch the economy by giving incentive to rush purchasing now to beat higher prices later on and by failing to do those things necessary to stop the disease.

These kinds of political prankstering in the two chief countries of the free world at this critical moment for civilization would have made Machiavelli most gleeful.

* * *

Lots Yet to Come on Sharepushers

Ontario's Security Commissioner O. E. Lennox testified for three days before the Provincial Crime Commission.

The Securities Commissioner had an impressive story to tell. It was impressive because his testimony made it obvious he is making a mighty effort to do a good job and because his record of achievement in office is substantial.

His testimony was impressive too because it revealed the magnitude of the problem to be dealt with. He says about 50 firms or 12½% of the Ontario firms registered were or are in the high-pressure business.

From the testimony it was clear that the last revision of the Ontario securities act was a blunder, as The Financial Post then said.

At that time extensive responsibilities for self-discipline were entrusted to the three main groups in the industry, the Investment Dealers' Association, The Toronto Stock Exchange, the Broker-Dealer Association.

The first two did their work well enough. The Broker-Dealer Association did not, mainly because some of its influential personnel were notorious for their own operating methods. Eventual reorganization of the BDA has brought some improvement in this respect.

Catching and closing down the high-pressure outfits is easier said than done but the Lennox score of 43 firms closed or suspended in four years is impressive. (See complete score page 12).

Unfortunately, the system of "fronts" results frequently in an outfit closed down today starting up tomorrow with a new front but the same hoodlums actually in charge.

It is good news that Ottawa is working on a revision of the extradition arrangements so as to let American authorities get their hands on these people and help in the clean-up.

Many of them came here from the United States originally and sundry woes await several of them if they ever step on U. S. soil. A properly contrived extradition treaty properly used by U. S. authorities would rid Canada of quite a few undesirables who have been at the root of most recent troubles.

When the Crime Commission reconvenes August 21, we hope Mr. Lennox will be given the opportunity to bring out a lot more of what he knows about the present situation. The public would benefit by knowing about it.

Wheat Crop Can Top 400 Million Bushels

With Favorable Weather We Could Make All-Time Record — Eager Market Awaits First Crop But Serious Difficulties If Frost Hits

(Special Correspondence)

WINNIPEG—You can look for a wheat crop of well over 400 million bushels this year — weather permitting. There are hopes it will top 500 million which would be an all-time record. And an eager market awaits the first of the crop, for we're sold out of high-quality wheat.

Frost, as was the case last year, could, of course, cut deep into this healthy prospect, turning millions of bushels of high milling quality wheat into grades good only for feed.

But at present everything looks better than average. Moisture conditions are excellent. The season started with good soil reserves. There has been better than usual rainfall since, particularly in areas that in most years are somewhat dry and have frequently suffered near or complete failure from drought.

The dust bowl areas of southern Alberta and southern Saskatchewan, for example, have been drenched with rain this year. It's the yields from these areas which this year may push over-all production well ahead of longterm averages. For the rest of Saskatchewan and Alberta the prospect is for yields well up to average or somewhat better.

Late Crop

The only catch: the crop is late and this heightens the frost hazard.

In Manitoba, the smallest wheat producer (13% of total), while a drier-than-usual season brought serious damage in many areas, loss as a percentage of total probable western grain production has been comparatively small.

What are marketing prospects?

Everything points to strong demand throughout the crop year for top-quality wheat. No carry-over problems are anticipated; a surplus could be carried forward in reasonable confidence of later need.

Frost damage, however, could confront the Wheat Board with a serious selling problem. There's no surplus of feed grains in the world but most of the world's farmers who buy feed grains are not used to using wheat. On top of that there's a prejudice in many countries against feeding wheat to livestock because it's wrongly believed that cattle are getting priority over humans—even when the wheat is of such poor quality it can't be milled.

Transport Trouble

Transportation still threatens to be a major bugbear. Last year's low grade and even some purchased high-grade is still in storage awaiting transportation. Last year's double threat of a rail strike and the priority of military equipment for Korea slowed up rail shipments. Also lake carriers, finding iron ore a more profitable cargo than wheat, have caused lake head terminals to become congested and ocean shipping to lie idle in Montreal.

This congestion goes right back to the farm where grain may again have to be stored on the ground. However, it's expected the railways will be able to ease some of the congestion and be able to cope with the new crop.

Here's the price picture:

There's little chance of the price break hoped for by European countries because of surpluses in North America. Importing nations are buying or booking at prevailing levels.

The contract which Canada has

(Continued on page 2, col. 5)

Arms Transfer Stopped Until UK-US Agree

OTTAWA (Staff) — Canada served notice this week through her defense minister that no further steps would be taken by this country to divest ourselves of U. K.-type small arms and equipment or the purchase of U. S.-types as replacement until the current rifle row between Britain and the United States is settled.

Speaking in Montreal when equipment for a third division was transferred to Italy, Defense Minister Claxton said:

"Our policy on further re-equipment with rifles will depend largely on the outcome of the meeting on standardization to be held in Washington this week. We have received delivery of Garands for a division but as we already have a considerable number of Garand rifles this does not further complicate the position.

(Continued on page 2, col. 3)

PRICES

Gasoline and light fuel oil are up in many areas reflecting higher freight rates and increased costs of imports. Increases range from 2/10 of 1c a gal. to 1 8/10c a gal.

Wool, although steadying somewhat recently, so far shows no indication of forming a base. Price of 64 tops has dropped to $2.35 a lb., off about 45% from March peak. Another 5 to 7% decline would put it back at pre-Korean price level. Despite sharp drop Washington authorities are seriously considering granting substitute wool fibre manufacturers all the operating advantages of high priority defense industries.

Natural rubber is holding around 50-52c a lb. close to pegged U. S. buying price of 52c a lb. (No. 1 ribbed smoked sheets). Earlier this year prices had touched as high as 78c a lb. Current prices will likely hold for remainder of third quarter, duration of U. S. set price period. After that, it's anybody's guess. Washington has been very reticent about its rubber stock-piling policies.

Tungsten steel price is boosted in U. S. All steels containing 1% tungsten, or greater, are up 1½c a lb. for each percentage point of tungsten. Increase will affect about 90% of tool steel grades.

Carpets: One of biggest manufacturers in U S. has rolled back prices as much as 15% to last December levels. Others are expected to follow. Lower priced carpet wools, plus slow markets are big factors

See 7-10% Cut In Tire Prices By Year's End

By W. L. DACK

Is the stage being set for a cut in tire prices?

Pointers:

—Sales which started to dip sharply in April are now running anywhere from 30%-50% lower than in the same period last year.

—Heavier-than-normal inventories at all trade levels.

Balancing it all out, a modest price cut—around 7% to 10% at retail—appears likely before year end. The big "clinchers" in the decision will be increasing competition for a shrinking market and desire of manufacturers to write down rubber inventories more in line with current prices before the new year.

More Synthetic

Increasing availability of synthetic rubber from Polymer Corp.'s expanded Sarnia facilities by fall could effect some important cost reductions as every tire maker would use a lot more of the lower priced material (only half the cost of natural rubber) if he could get it.

World price of natural rubber, largely influenced by Washington stockpiling prices, have dropped from a peak earlier this year of around 75c a lb. (top qualities) to around 50c-52c currently.

But since most tire-makers will be receiving deliveries of higher-priced rubber well on into the fall

(Continued on page 2, col. 1)

No New Extradition Pact, But To Tighten Fraud Net

OTTAWA (Staff) — Canada will make no new extradition treaty with the United States, but it is expected that the fall session of parliament, will be asked to amend present Canadian extradition laws to tighten Canada-U. S. security frauds legislation.

The amendment now under review by the Departments of Justice and External Affairs would switch the present definition of fraud and false pretences from the Criminal Code (where it now rests) to extradition legislation.

The effect will be to broaden Canadian extradition legislation so as to bring it more into harmony with U. S. practice. Thus the goal of "dual criminality" will be more nearly approached, without renewing the earlier attempt to rewrite antiquated extradition laws between the two countries.

Must Establish Fraud

At present, it is necessary to establish fraud in order to extradite. If the more usual offence of "false pretences" is involved, then the only Canadian statute which can be invoked is a section of the Criminal Code.

What is likely to be asked of Parliament is that the present definition of fraud and false pretences as it appears in the Criminal Code be transferred as an amendment to existing Canadian extradition legislation.

This proposal would meet approval in United States; would be interpreted there as an important forward step in tightening the Canada-U. S. border against high pressure security salesmanship.

But it would be of no benefit to a resident of say Saskatchewan or British Columbia. In the case of a resident of a Canadian province, his position would be unchanged if he were high-pressured from operators in another province.

Earlier attempts to completely rewrite a new Canada-U.S. extradition treaty have completely gone by the board. There is presently no thought of revival. This project fell apart when the stumbling block of "dual" versus "single" criminality was discovered in relation to security frauds legislation.

As the proposed new extradition treaty was drafted, it was found that Canadians were in jeopardy of being extradited to U.S. for actions which might be a criminal offense in one of the states but not punishable in Canada.

Hopes Rise for New U. S. Arms Orders

Washington Tariff Plan Would Open Way For More Orders for Subcontractors, Set Up Closer Collaboration—To Attack Prices

By KENNETH R. WILSON

OTTAWA (Staff)—Important new measures for North American industrial co-ordination for defense are expected to stem from last week's top-level mobilization talks in Washington:

1. Moves to ease tariff barriers.
2. New Canada-U. S. collaboration machinery.
3. An immediate attack on inflationary price problems in key defense materials.

Behind the talks was this important fact: U. S. leaders themselves have now taken the lead in getting North American industrial mobilization on a sounder footing. In fact, U. S. anxiety for Canadian co-operation in stabilizing prices of strategic metals is credited here with paving the way for last week's conference.

The conference, which brought together Defense Production Minister Howe, U.S. Defense Mobilization Director Charles E. Wilson, and half a dozen top aides, may well mark a turning point in North American economic collaboration for defense.

It is the first time since Korea that all the key men in the U. S. rearmament effort have taken a day off for brass tacks talks with Canada's mobilization planners.

What brought about the meeting?

Nominally, it was a desire on both sides to get the earlier Canada-U.S. Joint Industrial Mobilization machinery back into working order. More precisely, the specific urge which impelled U.S. leaders to call the conference, seems to have been the extreme pressure on the U. S. price and defense effort by the mounting price of strategic metals—lead, copper, zinc.

No Blame on Canada

Canada gets no particular blame for these price boosts which are causing so much distress to U.S. mobilizers. In every case, the pressure for a price hike has come from non-Canadian producers.

Thus, the recent 3c-3½c rise in copper prices, initiated under pressure from South American producers and now extended to all outside purchases. (Such boosts not only mean higher rearmament costs but play havoc with attempts to hold down the U. S. price ceiling).

What results are likely to materialize?

1. There'll be a new, revitalized Joint Industrial Mobilization Committee with new membership, new terms of reference, new ad hoc subcommittees of experts to dispose of specific problems as they occur, possibly a new name.

2. The revamped committee will likely have its terms of reference restricted to the general lines of the Washington Declaration. But its key responsibility will be to thrash out specific problems on production, pricing, supply, integration, tariffs, etc., as they occur.

3. One immediate problem which U. S. authorities are anxious to resolve is the easing of tariff barriers on defense equipment and components. At present, U. S. armed services and designated agencies have authority to remit tariff on defense material or equipment for their own use. But this does not apply to subcontracts. Canada, on the other hand, now collects duties and taxes on all defense imports whether purchased by government or private business.

The aim now is to find a way whereby the U. S. could remit tariffs on subcontracts. This, it is claimed, would greatly facilitate placing orders in Canada. If this could be done it is understood that Canada would be prepared to make a similar concession on our purchases from U. S.

4. Airing of the present Canada-U. S. "dollar account" for sale and purchase of defense equipment across the 49th parallel is expected to follow this meeting. Both sides are now at

(Continued on page 2, col. 3)

Inside News

Air Travel Headache
When they're flying, Canadian airlines can boast of an excellent record. But how do their ground services stack up? Read how representative Canadians rate our airline services. The Question (p. 9). (p. 3).

U, K. Paradox
As Britain's economic position takes a turn for the worse, London paradoxically is having its gayest social fling since the twenties. Parties and dances are bigger and costlier. Racing purses are fatter. Adelphi surveys the scene in London Calling (p. 20).

Seaway Scramble
What happens now the U.S. has again killed the St. Lawrence Seaway as a joint undertaking? Will or can Canada go it alone? The Post's Ottawa editor brings you up-to-date and takes a look at all the possibilities. (p. 11).

Political Strike?
Are politics behind what on the surface looks like a senseless strike against Hollinger Gold Mine in Timmins, Ont? What does labor think about strikes called over union security? Labor Roundup (p. 3).

Higher Dividends
August Dividend payments were almost $9 million greater than a year ago. A survey of leading industrials and utilities shows what's responsible for the big increase (p. 14).

Stock Fraud Checks
What has the Ontario Securities Commission been doing to fight the stock racketeers? What's been achieved? The problems? The curtain drawn back on OSC activities in unparalleled fashion. (p. 12).

Union Boycotted Store, Now Under Combines Probe

It didn't take Winnipeg long to convince a bakery union that it had bitten off more than it could chew recently when it ordered deliveries stopped to a store that had cut bread prices.

Winnipeg raised such a clamor, the union backed down.

Last week, the union, a CCL affiliate learned it was in for a lot more than it had bargained for: Federal Combines investigators stepped in and seized the union's books, presumably as a preliminary to determine whether a full-scale investigation is warranted.

The Combines Investigation Act provides that the Commissioner, whenever he has reason to believe that a combine exists to fix prices, may make such enquiries as he deems necessary.

If a preliminary enquiry establishes that a combine does exist, a full scale probe can be ordered.

Federal action in this case is based on the following developments:

On June 12, the CCL Canadian Bakery Workers' union instructed its driver-members by letter to stop delivering bread to Jewel Stores on the grounds that Jewel had cut prices thus jeopardizing earnings of its members.

The union maintained a price war was on and that Jewel was responsible.

The "war": Jewel was selling two loaves for 21c against the go-

(Continued on page 2, col. 4)

Taxes Cut Into Cigarette Sales More Are Rolling Their Own

MONTREAL (Staff) — Cigarette sales are off. The people are rolling their own. The slump is the first in 10 years.

Over-all sales have dropped in the past few months, Imperial Tobacco Co. of Canada tells The Post, although no accurate figures will be known for some time.

Higher cigarette prices following federal tax increases are blamed for the general fall in sales. (Tax on a package of 20 is now approximately 25c as against a pre-budget tax of 21.5c).

Hopes are, says Imperial, that the current fall will be only temporary, as has happened often in the past after the smoking public became accustomed to the bigger prices. The drop has been offset partially by higher sales of cigarette tobacco.

On the cost side, the company notes, increases are evident all along the line.

In 1950, Imperial had a net profit of $6,994,243, equal to 63 cents per common share, against 62 cents per share in 1949.

Model Changes in '52 Cars To Beat Slump in Sales

The odds went up this week that there will be some model changes in 1952 cars.

The reason: slumping sales in the United States and word from Washington that no design freeze is contemplated, no matter what happens in Korea or Iran.

Canadian sales are down too for June (but up 9% over six months: see below) But when it comes to style changes, what happens saleswise here doesn't matter.

Because the auto industries of the two countries are so integrated, we have to go along with what's done in U. S. A Washington design freeze, for example, would have frozen designs here too regardless of sales. Styles of U. K. cars are similarly beyond Canadian control.

Another governing factor in the style decision is U. S. price control. Washington will allow price increases whenever there's a substantial change in design. Chrysler, for example was allowed an increase when it introduced models with V-8 engines.

Profit Squeeze

Since car manufacturers across the line say higher costs and fixed prices are squeezing profits, design changes may be the way to widen the margin. Nothing much in the way of basic engineering changes are looked for. Engines, transmissions, etc. will be about the same.

So the only way a substantial change can be made is body face-lifting, new grilles and changed body lines.

Depending on how you look on such superficial style changes, Canadian cars will benefit or suffer.

Who's planning changes? Just about everybody in the business has something cooking. Some are already in the tool-production stage; others haven't yet made the decision.

Packard has approved final designs to meet its early fall debut. Nash, Studebaker and Ford are about ready to do the same. They have their unveilings in the late fall. Ford has already had one postponement.

General Motors has a little leeway. Its new models come out toward the year end. Chrysler has still more time. It doesn't show its new wares until the first of the new year.

Still Lower Sales

But no matter what changes are made and how much the public goes for them, sales are still bound to be lower next year. On Washington's orders, the industry has cut production substantially to save critical materials. In 1952, there will likely be more cuts.

All this is bound to eventually affect Canada as anywhere from 25%-60% of Canadian-made autos are U. S. content. U. S. reductions are already being felt here in shortage of parts supplied by American parent firms.

But despite these difficulties and uncertainties, Canadian production and sales are holding up better than a lot expected.

Latest DBS figures show sales

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Doesn't SEC Want Their Man?

U. S. Fails to Use Extradition on Sharepusher

See P. 12 for more about OSC.

If they really want him, the U. S. Securities & Exchange Commission can put their hands on a Toronto stock pusher described on their wanted list as the "No. 1 greedy and ruthless man."

This is what the Ontario Securities Commissioner O. E. Lennox told Ontario's legislative crime probe committee last week. He cited the case to show that sometimes SEC words conflict with its deeds.

For some time, the SEC has been crying loudly for an extension of extradition machinery so it can lay its hands on high-pressure Ontario sharepushers who have been milking gullible Americans for years.

"They want a bright new weapon," said one Ontario official, "but they seem loathe to use one already available."

The present law, it is claimed would let them grab the man they list as Public Enemy No. 1 of the U. S. stock-buying fraternity.

Here are the details as told by Commissioner Lennox of how the SEC apparently fumbled on this tailor-made extradition case.

The stock promoter is an American living and operating in Toronto. He returned to Canada after jumping $50,000 bail in the U. S. where he had been arrested on a number of fraud charges.

His operations put him at the head of the SEC's wanted list. SEC Chairman H. C. Macdonald even went to the extent of issuing a statement dealing with his record.

Ontario's Commissioner filled in a lot of details.

Undetected, the bail jumper sneaked back in the U. S. for a few days to clinch a deal which authorities considered fraudulent.

To SEC the Ontario Commissioner sent everything they had on him, even to getting a Crown opinion that the man was now clearly extradictable under the existing treaty.

The information and documents went forward to Washington Nov. 29, 1949. The SEC didn't even acknowledge receipt of the information. On March 30, 1950, OSC forwarded a gentle reminder. A reply is still to be received.

And the bail-jumping stock racketeer is still operating in Toronto's financial underworld.

When he's apparently there for the taking, why hasn't SEC grabbed him? was the question in a lot of Canadian minds this week.

And there are others too, said Lennox.

Pace of Business

Deparment store sales week ended July 21 1% above corresponding week last year.

Carloadings week ended July 21 up 5.2% from year earlier.

Department of National Defense spent $82 millions in June compared with a monthly average of $134 millions budgeted for this year.

Department of Defense Production shifting into higher gear: June expenditures amount to 60% of all its expenditures this year till end of June.

Lag in fags shows further in 17% drop in cigarettes released for consumption in June, compared with June, 1950.

Employment in major nonagricultural industries up 9.7% May 1, over year earlier. Payrolls up 20%.

Balance of merchandise trade a $46 million debit for Canada this June, compared with $9.3 million credit June, 1950. Value of imports from U. S. up 29%.

Installment sales bigger part of total retail trade for first quarter this year than for same quarter last year, despite credit curbs. Total retail sales rose 19%; installment sales rose 33%.

Appliance and radio stores showed only 13% gain in installment sales, against 28% increase in cash sales.

Eggs sold for market January-to-June down 5.5% this year, in dozens.

Milk production above year-earlier figures for first time since April, 1950 June, 1951, 2% above June 1950. Farmers' cash income from dairy products up 15% latest month. Creamery butter stocks nine cities July 13 less than half year-earlier total.

Domestic sales asphalt floor tiles up 11% first six months this year over same period last year, in physical volume.

Overseas export clearances of wheat beginning of crop year to July 5 down 7.9% from same period last year.

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EATON'S

See 7-10% Cut In Tire Prices

(Continued from page 1)

there will be little or no advantage from lower natural rubber prices until then.

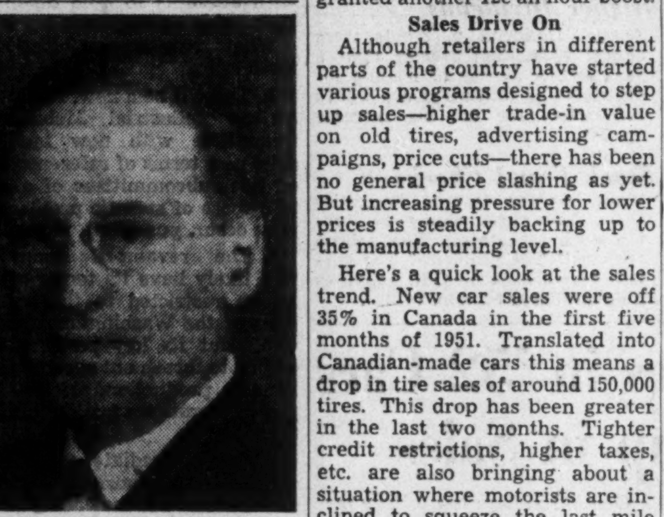
Even then it might take another three months for this lower-priced rubber to reach retail tire outlets. In the meantime, costs of all other items have either held, or moved higher, offsetting lower rubber cost. Labor has recently been granted another 12c an hour boost.

Sales Drive On

Although retailers in different parts of the country have started various programs designed to step up sales—higher trade-in value on old tires, advertising campaigns, price cuts—there has been no general price slashing as yet. But increasing pressure for lower prices is steadily backing up to the manufacturing level.

Here's a quick look at the sales trend. New car sales were off 35% in Canada in the first five months of 1951. Translated into Canadian-made cars this means a drop in tire sales of around 150,000 tires. This drop has been greater in the last two months. Tighter credit restrictions, higher taxes, etc. are also bringing about a situation where motorists are inclined to squeeze the last mile out of their old tires.

Actually things aren't as gloomy for the industry as the current sales picture indicates. Last year was a record one and the abnormal sales pattern continued into the first quarter of this year. Sales to date are still ahead of last year for most companies despite recent drop. But everyone in in the trade, faced with a sudden sharp sales drop, which so far has given no indication of turning up again, is wondering about the next step from here.



E. ASSELIN

At a recent meeting of the Board of Directors of The Bank of Nova Scotia, Hon. Edouard Asselin, K.C., M.L.C., of Montreal, was elected a Director. *

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LEXINDIN GOLD MINES reports July 18 option installment, comprising 100,000 shares at 15c a share and each subsequent installment, under underwriting and option agreement with Haras Corp. have been extended for 30 days.

Doubt New 'Pension' Taxes, Added 2% Tax May Do Job

OTTAWA (Staff) — New government figures of revenue and expenditure for June, heighten the belief that there will be no new taxes to parallel introduction of the $40-at-70 old age pensions.

What seems increasingly likely is that the Government will seize on something like the 2% sales tax increase of last April and earmark it as partial "contributory" offset to the new pension cost. Each one per cent of sales tax currently yields between $55 and $70 millions annually. An addition to the sales tax was one of the alternatives put forward by the parliamentary committee of 1950, as a possible means of meeting the additional $250,000,000 cost of pensions.

Release of the first quarter treasury statement brought the first official admission that the 1951-52 surplus will exceed the April estimate of $30 million. Reason attributed is that Mr. Abbott's April figures were based on a $20 billion national production in 1951, and that it is now clear this figure will be exceeded.

Present estimates of Canada's gross national production in 1951 are of the order of $20.5 billion. This would be a contributing factor to a higher government surplus. But it would explain only a very small part of the sort of surplus that presently seems probable. Other and more important contributing factors are an unexpected jump in customs and corporation tax revenues, and a drop in the level of defense spending that is likely to show in the 1951-52 accounts.

In the first quarter, the Government accounts show an accumulated budgetary surplus of $336.4 million against $213 million in the same period a year ago. The actual budgetary surplus for the entire year 1950-51 was $203 million — $10 million less than was shown in the first quarter.

If history were to repeat itself, Mr. Abbott might therefore find himself at the end of March 1952 with a margin of something over $300 million — a figure which may, in fact turn out to be pretty close to the actual fact.

Hopes Rise For New Arms Order From U. S.

(Continued from page 1)

work to publicize for the first time a fair and accurate statement of how much business each country has placed with the other and for what items.

Most likely membership on the Canadian side will be Mr. Howe as chairman of the new committee, plus Sydney Pierce, Canadian Minister at Washington; Max Mackenzie, Deputy Minister of Defense Production; Crawford Gordon, Jr., Director of Defense Production and possibly two additional Canadians.

No Business Representatives

The entire membership will be within the Government. In the newly-constituted board there will be no "outside" representatives of business or industry, unless they are men with official responsibilities within the Government for defense mobilization.

Although a wide range of price, supply and allied topics was discussed last week at Washington, the opinion reached was that the newly-defined terms of the committee should not go beyond "economic mobilization." Thus the committee may immediately discuss prices of strategic raw materials such as non-ferrous metals; but it will not tackle industrial or consumer prices generally.

Whether anything will come of discussions on tariff policy as affecting defense items, remains to be seen. This subject was very active in the last war but no real progress was made in easing normal peacetime restrictions, except in the case of direct purchases.

Canadian policy varied widely in the last war but at present we charged on all goods entering the country whether for government or private accounts.

It is expected that a specific report on this matter will be brought before the JIMC at its next meeting.

Beyond a decision to publicize reciprocal purchasing as between the two countries, there was little discussion last week of the much-discussed "dollar balance" of Canada-U.S. orders.

What is of chief concern is to ascertain whether or not there is any actual industrial capacity which could or should be made available for North American production, rather than to look at the problem as one of balancing off each other's dollar accounts.

The general feeling seemed to be that there isn't very much "potential" Canadian capacity at the present time, and that if such does exist, there may not be as much difficulty in getting it brought into the production figure as would appear from recent discussion of Canadian "mistreatment" at the hands of U.S. order-placers.

Model Changes in '52 Cars To Beat Slump in Sales

(Continued from page 1)

down 35% in June against June 1950. But over the six months, they're up 9%. That's not bad considering 1950 set a new sales and production record.

U. K. Cars Losing Ground

Actually, the position of the Canadian industry is better than this. A breakdown of figures shows U. K. cars taking an 80% beating in June against a 20% drop for Canadian-made and other makes. It averages out to 35%.

A year ago, British cars accounted for 25% of total sales in June. This year's sales slump, cut this to 8%. The 1950 half-year slice: 21.4% (which had Canadian manufacturers worried). This year: 11.4%.

Here's what happened in June:

Sales	1951	1950	% Change
U. K. ..	1,849	8,869	—80%
Canada, others .	21,276	26,362	—20%
Total ...	23,025	35,231	—34.6%
Value ($ millions)	$59.7	$70.3	

In actual units, the 9% half year increase looks like this:

1951 — 181,000
1950 — 166,400

Dollarwise, the advance is a whopping 34%, due mainly to higher taxes:

1951 — $441,8 million
1950 — $329.7 million

Commercial sales however, were down 10% but value was about unchanged at $23.9 million.

Latest figures on British imports cover only the first five months. They show a decrease of 12½% in May but a drop of one-third over the whole period against 1950:

May 1951, 5,997; 1950, 6,612;
Jan.-May, 1951, 20,326; 1950, 30,000.

Arms Transfer Is Stopped

(Continued from page 1)

In the event of our deciding to keep the .303 mark 4 for the time being or deciding to adopt some other rifle the Garands could easily be transferred to nations associated with us which are anxious to have them.

"Pending this further consideration however, we are not taking further Garands as we have in mobilization stores or on issue, enough .303 mark 4 rifles to meet current needs and the needs of immediate mobilization.

"Once this and similar matters are settled we shall have further equipment to transfer to European countries on a considerable scale. But until these matters are decided upon we are going to keep most of that equipment."

Behind the minister's statement is the clear and fundamental fact that Canada's position as a North Atlantic defense partner is difficult if not impossible so long as the British and Americans cannot reach agreement on standardization of basic weapons such as the rifle. "We have already gone a long way toward adopting completely U. S.-type weapons for most army equipment. Perhaps we cannot now halt the process" as Mr. Claxton states.

$550,000.00
Cocktail Lounge; Tavern with large meal business; Bowling alley and 4-storey brick building 96 x 100; also rental income from other businesses in this block. Same owner 33 years. Net profit $83,698 for 1950 after a charge of $14,517 for depreciations. Price $550,000 half cash.
PETER B. SAYKO Real Estate Broker
225 ELM AVE., WINDSOR, ONT.

Union Under Combine Probe

(Continued from page 1)

ing chain store price of two for 23c.

The union boycott didn't stop Jewel getting bread. They began picking it up themselves from their suppliers among the "Big Four" bakeries.

That added to costs and Jewel reverted to the 23c price.

On July 5, apparently to teach Jewel a lesson, the union ordered the "Big Four" not to even sell to Jewel. If they continued to let Jewel pick up bread, they would face the prospect of a general strike of production workers. That would have cut off the bread to a large part of the city.

The big bakeries knuckled under and Jewel was forced to get supplies from small independents.

Later, other retailers raised bread prices to 25c. Jewel held to 23c. By July 12, Winnipeg was so steamed up, that the union backed down and lifted its ban on deliveries of "Big Four" bread to Jewel.

This week, union officals would neither deny nor confirm that their actions were under investigation. But there was no doubt they were plenty worried about something.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Crombie Advertising (Toronto) starting series of 500-line newspaper ads in 20 key centres for Aero Tool Works Ltd. featuring a contest to promote Aero Silver Flame Oil Burner, in which all new purchasers can compete for monthly $100 prizes.

* * *

Walsh Advertising Co., Ltd. (Windsor) preparing advertising in Canada for Dodge and Fargo trucks. Plans are similar to first half of 1951 with frequent insertions in daily and weekly newspapers, farm and trade publications, including automotive trade papers as well as vertical trade papers .

* * *

Stewart - Bowman - MacPherson Ltd. (Toronto) directing account for J. S. Lang Agencies, advertising Q-Tips. Product ads (quarter pages black and white) will run in the fall in consumer magazines, weekly papers and trade papers. Point of sale display stands will be supplied dealers.

* * *

Stevenson and Scott Ltd. (Toronto) places advertising for Burgess Battery Co., in a summer campaign for Burgess Portable Radio Batteries. Main theme "Longer lasting—Buy now" will be used in exterior streetcar cards across Canada, as well as point of sale and mailing piece promotion.

* * *

O'Brien Advertising Ltd, (Vancouver) directs expanded 1951 promotional campaign for Vancouver's internationally - known Theatre Under The Stars. Program involves extensive newspaper and radio advertising, multi-color car cards, folders and tack-up posters, as well as press relations

* * *

Graham Patterson, board chairman of the Advertising Federation of America was heard on 93 radio stations this week giving the picture of advertising's place in the economy

* * *

Stewart - Bowman - MacPherson Ltd. (Calgary) handling advertising in Alberta for the Blue Label Bottling Co. promoting their Stubby Orange drink with a coloring contest directed to the youngsters through daily newspapers, point-of-sale displays and radio spot announcements. First prize in the, contest is a CCM bike: a well known Calgary artist will act as judge.

* * *

Young and Rubicam Ltd. (Montreal) appoints George H. Poland, formerly manager of the Montreal office, as a vice-president of the company

* * *

Ian Murray of Confederation Life re-elected a director of the Public Relations Association of Ontario, editing their monthly bulletin. He's also a vice-president and national director of the Canadian Industrial Editors Association.

Wheat Crop Can Top 400 Million Bushels

(Continued from page 1)

just concluded with Great Britain for more than 100 million bushels of new crop wheat is an example.

Price Outlook

If Canada later makes price concessions to other countries Britain will be entitled to benefit also, but she's not trying to bring about such concessions. That will help keep up the International Agreement price as will the Wheat Council's acceptance of Canada's reimposition of a 6c per bushel carrying charge. A price hike which Britain strongly opposed.

In the United States so long as the government gives a price support equivalent to $2.50 on the Chicago market there's little chance of a price break there.

The purchasing power of western farmers will remain high if the crop yield is good although rising production costs are cutting into revenues. Also dissatisfaction with the wheat agreement is increasing as is the anti-inflationary scheme of marketing through the Canadian Wheat Board providing for delayed payments and equalization of wheat reserves from year to year.

In spite of high prices for cattle and hogs the main interest of western farmers is still in selling grain—cattle are too much of a gamble.

6-Mo. Earnings Up For Can. Pacific

MONTREAL (Staff) — Higher working expenses more than offset a boost in June gross revenues of Canadian Pacific Railway Co., compared with the same month a year ago. As a result, net revenue dropped $1.5 million to $1.9 million. For the first six months of the year, net earnings totaled $11.7 millions, against $9.1 millions in the first half of last year. Comparative statements showed:

Month of June	1951 $	1950 $	Incr. $
Gross earn.	36,438,488	32,322,644	4,115,844
Wkg. exp.	34,505,080	28,883,220	5,621,860
Net earn. .	1,933,408	3,439,424	*1,506,016

Six Months Ended June 30	1951 $	1950 $	Incr. $
Gr. earn. .	206,977,162	177,305,486	29,671,676
Wkg. exp.	195,296,565	168,157,237	27,139,328
Net earn. .	11,680,597	9,148,249	2,532,348

*Decrease.

BORDULAC MINES has sold 150,000 treasury shares at 30c a share on the open market, the Toronto Stock Exchange reports. Issued capital is 2,645,220 shares leaving 354,780 shares in treasury.

ANNOUNCING

Important Appointments in Business and Government Canadian Industry, Finance.

Alfred Lambert Inc. (Montreal)—Hon. Wilfred Gagnon, director.

British American Oil Co. (Toronto) — A. D. Cadman, manager central region (Ontario).

B. A.-Shawinigan Ltd. (Montreal)—V. G. Bartram, president; M. S. Beringer, vice-president; Dr. R. S. Jane, P. W. Wright, directors.

B. F. Goodrich Co. of Canada (Kitchener)—Ira G. Needles, president.

Canadian Broadcasting Corporation (Toronto) — W. E. Powell, commercial manager; W. R. Johnston, assistant commercial manager.

Canadian Fairbanks - Morse Co. (Montreal)—W. B. Coutts, manager Fort William branch; M. L. Genest, manager Maritime operations.

Carhayes Co. (Brantford)—George A. Booth, general manager; Milford Nichols, general superintendent.

Consolidated Mining & Smelting Co. of Canada (Montreal)—R. Erin McAllister, western manager chemical and fertilizer sales department.

Continental Paper Products Ltd. (Ottawa)—Edward S. Reid, assistant general manager.

George W. Crothers Ltd. (Toronto)—E. W. Vanstone, controller.

Dominion Cellulose Ltd. & National Cellulose of Canada Ltd. (Toronto)—W. T. Gray, chairman; Menzie Gibson, president; Alfred A. Slater, vice-president sales.

General Bakeries Ltd. (Montreal)—S. R. Saxby, president; J. William Horsey, chairman; H. A. Armstrong, vice-president; J. M. MacDonald, secretary-treasurer.

Gooderham & Worts Ltd. (Toronto)—Hugh Carroll, Toronto sales manager.

Government of Canada—Department of Defense Production—William Cunningham, director shipbuilding division.

H. J. Bird & Co. (Vancouver) — H. P. Hubbs, director.

Hobbs Glass Ltd. (Toronto)—R. A. Trumper, manager, mirror division.

Holden Mfg. Co. (Ottawa)—A. E. McLaren, director and secretary-treasurer.

Hydro-Electric Power Commission of Ontario (Toronto)—Harry Hustler, property officer.

J. W. Kilgour & Bro. Ltd. (Beauharnois) — W. C. Hardy, western branch manager; C. E. Livesley, western sales manager.

Lake of The Woods Milling Co. (Montreal)—H. J. Carmichael, director.

Montreal Trust Co. (Montreal)—E. M. Little, director.

National Breweries Ltd. (Montreal)—W. Gorman Kennedy, director of sales.

Personal Finance Co. of Canada (Toronto)—Robert E. Fischer, manager, new Toronto branch; Harvey H. Beemer, manager new Winnipeg branch.

Russel T. Kelley Ltd. (Hamilton)—H. E. Dennison, vice-president and general manager.

Shawinigan Water & Power Co. (Montreal)—J. M. Sharpe, general superintendent, generation and transmission department.

W. C. Hardesty Co. of Canada (Toronto)—N. T. Ruebottom, vice-president Canadian operations; R. H. Ruebottom, director.

Winnipeg Better Business Bureau Inc.—Charles Swinford, president; W. B. Pickard, H. Inman, vice-presidents.

Young & Rubicam Ltd. (Montreal) — George H. Poland, vice-president.

Retirements

E. A. Weir — commercial manager, Canadian Broadcasting Corporation.

Obituaries

A. L. Brown — vice-president sales, Northern Electric Co. (Montreal), July 29.

J. J. Pippa — general manager Ronson Art Metal Works (Canada) Ltd. (Toronto) July 28.

DIVIDEND NOTICES

PE

Photo Engravers & Electrotypers Limited

DIVIDEND NO. 53

NOTICE is hereby given that a Dividend of Seventy-five cents (75c) per share on the outstanding no par value shares of the Company has been declared payable on September 1, 1951, to shareholders of record at the close of business on August 15, 1951. The Transfer Books will not be closed.

By Order of the Board.

F. G. BLACK,
Secretary-Treasurer.

Toronto, Ontario, July 31, 1951.

Robinson, Little & Company, Limited

WINNIPEG, MANITOBA

Class "A" Shares—Dividend No. 19

NOTICE IS HEREBY GIVEN that a dividend of Twenty Five (25) cents a share has been declared on the Class "A" stock of the Company, payable on September 1st, 1951 to shareholders of record at the close of business on the 15th day of August, 1951.

By Order of the Board.

HERBERT J. SADLER,
Secretary.

Winnipeg, Manitoba,
July 30th, 1951.

SIMPSON'S
THE STORE FOR MEN

Men's Cardigans
Smooth interlock-knit all-wool in button front style, with elasticized shoulders, two pockets. Beige, green or silver. Each, 13.95.

at Simpson's TORONTO
DEPT. 253
STREET FLOOR

IF YOU GENERATE STEAM
- Complete Steam plants.
- Oil, gas, coal firing systems.
- Ash conveying equipment.
- Boiler removals, erections.
- Complete refractory service.
- Smoke detectors.
- Draft systems.
- Stacks, tanks, breeching.

POWER PLANT CONTRACTORS LIMITED
983 Pape Ave. Toronto, Ontario

SURPLUS STOCK ALUMINUM SHEET FOR SALE
3S½H — .028, .032, .036, .040, .051
2S¾H — .028, .040
The above Surplus Stock totalling 80,000 lbs. is offered in original packages at current Mill prices subject to prior sale.
TUDHOPE SPECIALTIES LIMITED
ORILLIA, ONT. PHONE 3529

Concentrated Fruit Drink Opportunity To Establish Canadian-Owned Parent Company
Well established firm doing a large business in the U.S.A. on fruit drink concentrates under well-known trademark, will grant perpetual rights to Canadian company, to act as parent company in manufacturing & distributing its products in Canada.
Only modest investment required to cover basic equipment and working capital. For full particulars of this outstanding opportunity, write, giving full information as to background and qualifications to
Box 58, The Financial Post, Toronto.

WANTED: PULP-CEMENT BAGS — NEWSPRINT by AAA-1 company. Will purchase immediately for export — any quantities. SULPHITE or SULPHATE PULP — bleached or unbleached. CEMENT BAGS — 31" x 16" x 3" or 19¾" x 31" x 3" valve opening 3½" — 6 ply — million lots or better. KRAFTBOARD — KRAFT COUNTER ROLLS — NEWSPRINT ROLLS — 30" to 72" wide. F.O.B. mill or F.A.S. Montreal. Quote prices, tonnage, delivery, submit samples etc.
Reply Box 43, The Financial Post, 481 University Avenue, Toronto, Ont.

FOR SALE
Tool and Die Shop, $20,000.00 Cash Balance Terms. Proven concern. Business includes building, equipment and goodwill. Located in Automotive City of Southern Ontario.
BOX NO. 29, THE FINANCIAL POST, TORONTO

TRANSFORMERS FOR SALE
2 only, 50 KVA 60 cycle, Oil Cooled Power Transformers
3 only, 100 KVA 60 cycle, Oil Cooled Power Transformers
For viewing and full particulars apply
Coulter Manufacturing Company Limited, Oshawa, Ontario

Senior EXECUTIVE:
has sound motives for reviewing present employment. Middle forties, English, bilingual. Administration, planning, accounting, cost reduction and control, tax reduction, union negotiations.
Box 53, The Financial Post, Toronto

COMPTROLLER
Required by progressive and expanding manufacturing company in Niagara district. Outstanding opportunity for administrative accountant fully experienced in developing and supervising industrial accounting and cost systems. State full particulars of personal history, education and business experience. Replies held in confidence.
BOX 54, THE FINANCIAL POST, TORONTO

EXPORTERS & MANUFACTURERS
Are you interested in developing a permanent South African market for your products?
The advertiser who has valuable business connections there, is returning to South Africa in the near future, and is prepared to handle a few Canadian lines on a commission basis.
REPLY BOX 57, THE FINANCIAL POST, TORONTO.

ELECTRICAL APPLIANCE REPRESENTATIVE WANTED
Canadian manufacturer of nationally advertised and firmly established line of quality electrical appliances and hardware specialties requires experienced, persistent sales representative to cover retail trade, wholesalers and their salesmen throughout province of Quebec and Maritimes.
Resident of Montreal area preferred. This is a substantial full-time proposition with income to interest top-flight men. Commission basis. Please give complete information in first letter including particulars of past and present employment, amount earned, age, experience, education, telephone number and other information to permit contact for personal interview on short notice.
All applications will be treated as strictly confidential, no inquiries will be made without your permission. Our staff has been informed of this advertisement.
BOX NO. 56, THE FINANCIAL POST, TORONTO.

LABOR ROUNDUP — By RONALD WILLIAMS

Another Kirkland Lake Strike Tragedy In Making In Hollinger Gold Walkout?

Most union leaders will admit that so-called union security, including the checkoff, is perhaps the weakest issue over which to call a strike.

It's the hardest to sell to union rank and file because there's nothing in it for them individually; it only strengthens the union, mainly financially.

And for this reason too, it's hard to justify to the public at large. The big powerful CIO Steelworkers' union was this week beginning to find out how hard, as its strike against Ontario's rich Hollinger gold mine, called on this weakest of issues, entered its third week.

Some 1,500 miners were still on the picketline but there were some rumblings even in Timmins which appeared to be behind the walkout 100% at the start. There were still clearer sounds of complaint coming from within the union.

But there was no sign of a settlement. Business was already being hit. The Hollinger payroll is the town's biggest source of revenue. Every day means a loss of $17,000 in pay cheques. Total loss to date: $300,000.

A lot of townspeople were uneasily casting their memories back to Kirkland Lake, 1942 and what happened there under similar circumstances. Population dropped from 26,000 to 8,000.

Strikers Leaving

By this week, the general fear permeating the Timmins area was beginning to come to the surface. Some strikers had already left.

At a meeting in the town, the union's Canadian director, C. H. Millard, felt it necessary to reassure those still hanging on.

They would be looked after, he said, even to the extent of moving them to other jobs in the steel or base metal industries. The union would foot the moving bill for strikers and their families.

This raised something of a howl. All sections of the community denounced it, reading into it an apparent readiness by Millard to sacrifice the town in the interests of the union.

Next day, the union realizing it had pulled a boner, repudiated the Millard statement. Said an official release: "There is no desire on the part of the union to uproot families and men. We are ready now, as we have always been, to effect an immediate settlement."

In Toronto, the provincial government tried to iron matters out, got nowhere. Labor Minister Daley urged the company to grant the union demand. (Earlier, a Provincial Conciliation Board recommended the checkoff but it was rejected by Hollinger).

Then Millard appeared to make matters worse by injecting what many thought was a political note into the dispute. He again called on the Government to amend the labor law to make the checkoff compulsory as a solution to the Hollinger dispute. (A CCF-sponsored move for this was rejected at the last session of the legislature.)

CCF Politics?

What many couldn't figure out was this: Was Millard talking as a union leader or as a CCF M.P.P. and one of the party's top brass? Lately, it has been harder to make the distinction, as Steel's political action campaign for the CCF gathered steam.

Speaking for the Conservative government, Premier Frost said his position was unchanged. The checkoff was a matter for collective bargaining not coercive legislation, he declared.

Despite the general uncertainty there was no clear sign at midweek that any of the strikers were wavering; that they felt they were being asked to do too much for union security and the checkoff; or that they agreed in any way with statements that the checkoff means security only for union leadership, hence a strike for it is inexcusable.

Neither was there any sign that they felt they had been taken in on the real issues, although there were some grounds to suggest they had. At the start wages and hours and the price of gold ranked with security as the main issues. They were only a cent or two apart on wages.

But since, the checkoff has emerged as the real union objective. This has been underscored by the union's unique offer: if Hollinger would agree to the checkoff, the union would reimburse the company for the cost of administering it.

Why is Steel and other CIO-CCL unions so anxious to get the checkoff.

It means no more troublesome and often unsatisfactory business of having its stewards collect dues. The company would do the whole thing through a payroll deduction, then forward a cheque to the union every month. From Hollinger alone, it could mean as much as $4,500 a month. All the union would do would be to sit back and collect.

But more important is that a victory over Hollinger could open the door to a far bigger guaranteed dues income — perhaps $10,000 a month. The Steel union is also certified at a dozen or more mines in the Porcupine camp. If they can win the checkoff from Hollinger, they figure the rest will go along.

But what some experienced union men believe the Steel union hasn't figured on is this: striking a gold mine isn't the same as striking a steel plant. A steel strike hits directly and swiftly at the heart of all industry. The public is affected almost immediately. With gold, it isn't.

At midweek, union and company were stubbornly holding to their positions. Hollinger seemed determined not to grant the checkoff. The only hope appeared to be an adjustment which would let the union back down without losing face.

* * *

Fatter Pay Envelopes

Canadian pay envelopes are getting fatter all the time. Latest Bureau of Statistics report shows a new average weekly wage of $49.13 May 1 in major nonagricultural industries. At April 1, it was $48.13; May 1, 1950, $44.88.

At the same time, more people are working than ever before. At May 1, the index stood at 175.3 (1939=100), an increase of 1.1% from April and 9.7% above May 1, 1950. The employment increase was general all down the line except in Nova Scotia and New Brunswick. There, seasonal layoffs in transportation and logging took the edge off the upswing.

* * *

Accept and Reject

Until last week, the biggest wage increase of the year was 35c an hour given Vancouver plumbers who struck over a side issue. Now this takes second place to 37c an hour accepted by 150 Vancouver floorlayers and sanders, raising hourly rates to $2.

* * *

Four Calgary bakeries — McGavin, Weston's, Palace, Canadian—settle with Local 252, AFL Baking and Confectionery Workers for $4-$7 raises a week. About 115 stand to benefit. Increases raise men's wages to $53.50 a week; women, $40.50.

Almost simultaneously, bread went up 1c a loaf . . .!

* * *

B. C. Conciliation officer at work trying to iron out dispute between 5,000 pulp and paper workers and seven B. C. firms. AFL Pulp Sulphite and Paper Mill Workers rejected 20c-38c increase, a cost-of-living bonus and the 40-hour week.

* * *

17-day strike of 230 at Vancouver's Shell refinery which closed down the city's service stations, settled for 25c hourly raise, 6% lump payment of earnings for March, April. This parallels pattern-setting agreement at Imperial Oil.

CN Net Revenue up For Half-Year

MONTREAL (Staff) — Higher operating expenses again outstripped operating revenues for the Canadian National system in June, compared with the same month a year ago. As a result, net revenue at $5.0 millions was down $1.5 million from June, 1950. For the first six months of 1951, net revenue totaled $19.7 millions, against $16.5 millions in the first half of last year.

These figures do not include taxes, equipment rentals, fixed charges, etc. Comparative statements showed:

	Month of June 1951 $	1950 $	Incr. $
Oper. rev.	52,924,000	47,770,000	5,154,000
Oper. exp.	47,892,000	41,217,000	*6,675,000
Net rev. ..	5,032,000	6,553,000	1,521,000
	Six Months Ended June 30 1951 $	1950 $	Incr. $
Oper. rev.	299,259,000	255,953,000	43,306,000
Oper. exp.	279,511,000	239,459,000	40,052,000
Net rev. ..	19,748,00	16,494,000	3,254,000

*Decrease.

Fleet Gamble Pays Off

In Mothballs Not Long Ago, Now Has $7 Millions Orders

By W. L. DACK

Patience, persistence and a faith in its eventual role in Canada's defense production picture this week started to pay off for Fleet Manufacturing Ltd., Fort Erie.

From months of being in mothballs, but at the ready, with test pilots and other skilled technicians reduced to caretaker jobs, Fleet emerged this week with $7 millions of defense sub-contracts and prospects for many more totaling several times that amount.

Fleet has a contract with Republic Aviation Corp., L.I., for aluminum aircraft nose assemblies; four with Canadian firms, running into millions; the biggest with A. V. Roe (Canada) for outer wing panels for Canada's CF-100 jet fighter.

The call is out for skilled help of all kinds, particularly toolmakers. There's talk of employment rising to 2,000-3,000.

Fleet stock climbed from a low of $1.40 to a high of $3.10 and is now back to a steady $2.50.

Soaring Again

Early this year the outlook was decidedly on the sombre side, Fleet had converted from aircraft to various domestic civilian products such as aluminum screen-storm windows, etc.

As more and more aluminum was diverted to defense and essential purposes, Fleet began to feel the pinch. Gradually the working force was cut from 500 to 200. After a while, there wasn't enough for that number to do.

But President George Clarke, who took over in 1948 when the company was in deep trouble trying to get going after changing from a war to a peacetime operation, had an eye on the immediate future.

International trouble was brewing. He had the best surplus aircraft plant in Canada. He took a long gamble. He decided to hang on to a strong skeleton staff, even if it meant going in the red to do it. Loss for first nine months of current fiscal year to June 30, 1951, was $178,955 before depreciation.

Gamble Pays Off

But he didn't just sit and wait for business to come his way. He sent men out to drum up business here and in the United States. Defense authorities on both sides of the line showed interest. Fleet was told to hang on, keep its personnel and plant.

The gamble started to pay off when Fleet landed the Republic contract. Now Republic has indicated it wants to add substantially to the initial order.

Here's the order position at the moment:

Arrangements have been made with A. V. Roe to make outer wing panels for the RCAF's all-weather fighter.

De Havilland Aircraft has or is about to sign for the manufacture of fuselage and wing panels of the de Havilland Beaver destined for use as a liaison plane with U.S. and Canadian services.

Two large firms in the electronic field want Fleet to do subcontracting work.

Total business, about $7 millions.

All deals are in the form of "letters of intent." But official contracts are now being made out.

Financing Arrangements

Adequate financing arrangements have been made without boosting company capitalization to unattractive levels. Only 837,000 common shares will be outstanding after capital program has been completed. Some $340,000 will be raised via a rights offering to shareholders and sale of limited amount of treasury stock. As a result the company's working capital position will be raised close to $500,000.

Earnings potential has been raised "very substantially" says the company.

Operations will be closely integrated with those of the contracting firms and supervised by Federal defense authorities. Payments will be on a cost-plus basis.

The rights offering will be on the basis of one additional share at $1.50 a share for every five shares held. A stockholder meeting is being called for Aug. 7 to approve an increase in authorized capital from 750,000 to 1,000,000 shares. Yorkmont Securities, Toronto, will underwrite at the same price ($1.50 a share) all shares not subscribed for and will receive an option on an additional 43,000 shares at $1.75 a share, exercisable within six months.

The Royal Visit to CANADA

Burke's Peerage

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Rubber Firms Join Under One Co. Name

Panther Rubber Co. and American Tile & Rubber Co. (Canada), both of Sherbrooke, Que., are now conducting their business, and that of their U.S. affiliates, under the name of the American Biltrite Rubber Co.

The "Biltrite" and "Panco" trade names for heels and soles and "Amtico" trade name for rubber tile floor covering will not be changed. Affiliated U.S. companies include: Panther-Panco Rubber Co., American Tile & Rubber Co., Biltrite Rubber Co. All have been under the same ownership and management.

R. J. Marcus is in charge of operation of the Canadian plant, with C. Evans Joslin as general manager.

If UK Cutting Buying Here Ottawa Hasn't Heard Yet

OTTAWA (Staff) — No word has been received here as to whether current British concern over their dollar plight will result in a new policy toward purchases in Canada.

Following top-level conferences last spring, it had been expected that by September or October, there would be an announcement from London of some relaxation in dollar purchases—especially affecting B. W. I. trade with Canada.

But last week, the U. K. Chancellor of the Exchequer, Hugh Gaitskell, told the Commons "the government proposes to review the dollar import program and reduce expenditures wherever this can be done without damage to our long term interests."

No one here has any inkling of whether this statement is supposed to affect Canada; whether it should be taken as warning that further cuts in U. K. purchases from Canada are in prospect rather than the reverse.

It is being argued that the dollar plight of which the British are now complaining—a sharp worsening in their terms of trade — is being overplayed and that factors are now at work which may soften the efforts of high raw material prices.

It is conceded if raw material prices remain at present levels or go higher, and if there is no compensating return in the price at which the U. K. can sell its manufactured goods, then the U. K. will almost certainly have to draw on its present dollar and gold reserves. But these reserves are currently at very substantial levels and if the withdrawals are temporary rather than continuing, then the U. K. plight may not be as bad as it now appears. Oil, is of course a highly important and still uncertain factor.

British purchases from Canada in the first six months of 1951 totaled $254 millions against $236 millions in the same period last year— an increase of 7%. But British sales to Canada rose 20% in the first half of this year to $225 millions against $187 millions in the same period of 1950. Thus in the first half of the year, the U. K. further reduced her adverse balance with Canada on trade account from $49 millions in 1950, to $29 millions this year.

But the improvement in the entire Commonwealth trade picture with Canada so far as the sterling area is concerned, was even more striking.

In the first six months, all Commonwealth countries (including U. K.) showed a favorable balance with Canada of $13,000,000 against an adverse balance in the same period last year of $49,000,000. This was because Canada increased her purchases from other Commonwealth countries (exclusive of U. K.) by 51% in the first half of the year from $97 millions to $146.5 millions. In the same period, our sales to these other Commonwealth areas increased only narrowly to $105 millions from $97 millions in the first half of 1950.

No official six months totals have yet been released covering our trade but these estimates were made by The Post from official data.

Look For It Here

August 4, 1951

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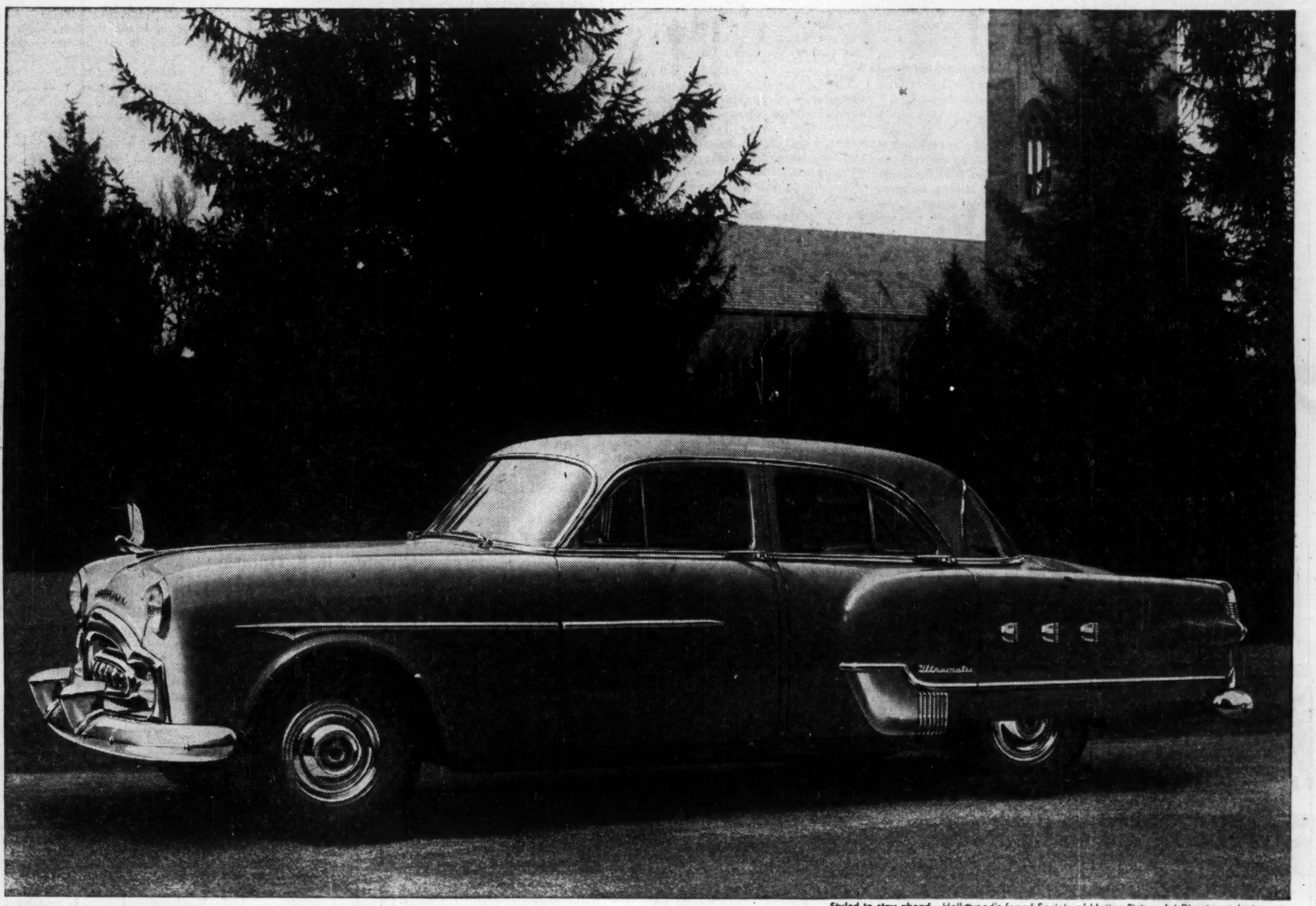

Styled to stay ahead—Hollywood's famed Society of Motion Picture Art Directors selects the new 1951 Packard as the year's "Most advanced concept of automotive styling."

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Buy the newest new car of them all!

As every thoughtful person knows: *the car you buy today is a car you should be proud to own "for keeps"!*

In times like these, it's actually *extravagant* to buy a lightly built car that begs for frequent trading.

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On *every* important point of comparison, it's the *newest,* most advanced car of the year. And it's precision-built—*sturdily* built—to *keep right on being new for many a year to come!* Definitely: It's the car you *must* see . . . and the best time is *now!*

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Car details as shown subject to change without notice

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INCREASED DEMAND FOR PRODUCTS

LORD HIVES'S STATEMENT

The 44th annual general meeting of Rolls-Royce Ltd. was held on July 24 at Derby, England, the Rt. Hon. Lord HIVES, C.H., M.B.E., D.Sc., the Chairman, presiding.

The following is an extract from his circulated statement:

The operations of the company's various divisions during the past year have been carried on against a very unsettled background. Whereas in the early part of 1950 we were actively planning to widen our interests in commercial markets generally, we finished the year with the emphasis once again on military work.

It could be anticipated that in the rearmament programme any expansion on aircraft engines would mean that Rolls-Royce products would be in great demand.

The major expansion plan for aero engines in this country is based on the Rolls-Royce "Avon". We are handing over unreservedly not only our designs but also our manufacturing technique and experience for the use of the nation.

In the War Office rearmament programme the Rolls-Royce range of engines has been chosen for a large number of vehicles. Here again, all our designs and manufacturing technique and experience have been made available to the nation.

In addition to the increased demands for our products in this country, expansion is also planned in countries where engines are built under license. In the U.S.A. it has been announced that the Chrysler Corporation will work with Pratt and Whitney to manufacture the J.48 which is a licensed engine. Increased demands are also being made on our licensees in Australia, Belgium and France. It should be appreciated that in dealing with licensees the flow of information is by no means one way.

GAS TURBINE DEVELOPMENT.

The energy which your company has put into the development of the gas turbine engine has permitted, during the last year, at least one of Sir Frank Whittle's dreams to be realised, namely, the non-stop transatlantic crossing made by the "Canberra" aircraft at an average speed of 450 miles per hour.

In addition to the many military applications for the "Avon" engine there is every prospect that it will, in due course, find its place in future civil air liners.

It has fallen to your company's "Dart" engine to be the first propeller gas turbine engine which will make its appearance in scheduled airline use.

The motor-car division has continued to operate under conditions which are both difficult and largely unpredictable.

Rolls-Royce Montreal, Ltd., continues to serve the Canadian users of our aero engines, and we are satisfied that in every way events have fully justified the capital investment in inventories which this service entails.

The past year has seen two important events in connection with the capital structure of the company. The first was the issue of new capital by way of a rights issue to existing stockholders.

The second is the issue of a scrip bonus which is designed to bring the nominal capital of the company more nearly in line with the capital employed.

The volume of turnover was practically the same as in the previous year, but much of it returned lower margins of profit. This was largely the result of rising costs.

The Report and Accounts were adopted, and a final dividend of 15% which, together with an interim dividend of 10%, made a total of 25% for the year was declared.

INVESTMENTS THIS WEEK

Convertible Bonds Popular Now But For How Long?

How much longer will convertible bond issues tickle the public's fancy? Are they being overdone? While so far there has been no indication of a waning of interest, these questions are starting to be discussed in financial circles

Within the past few weeks there have been three convertible bond issues and one issue with stock purchase warrants attached. In each case there has been a mad scramble for the bonds with heavy oversubscription. As a result, prices have gone to an immediate premium over the issue price.

Early this week these four recent issues were quoted as follows: Abitibi Power & Paper 4¼% convertible debentures due 1961, $104.75 bid to $105.25 asked; British American Oil 3½% convertible debentures due 1961, $112.50 bid to $113.25 asked; Dominion Steel & Coal Corp. 4% convertible debentures due 1961, $104 bid to $104.50 asked and Barvue Mines 5% first mortgage Series "B" bonds with stock purchase warrants attached, $108 bid to $109 asked. The first three were offered at par, the last at $99.

This week another new issue of convertible bonds—for Domiion Textile Co.—is being offered. Indications early this week were that it would have a similar reception.

Why are these issues so popular? A change in institutional buying policies, the tightening of the money market and the resultant higher interest rate plus restrictions on credit has increased the borrower's cost and forced dealers to turn more to the retail market in order to sell securities. Convertible debentures were tried out as it was felt they were more attractive to retail investors.

From the investor's standpoint, such types of issues provide a hedge against inflation. Convertible issues provide a reasonable income plus a future call on the shares of a company. If the market price of the shares advance beyond the conversion price, he makes money; if it does not, he obtains his fixed interest return plus a definite maturity date.

From the issuer's point of view, such issues provide required funds at a reasonable rate of interest and at a low underwriting cost as such issues of good calibre are easy to sell. Further it affords the borrower a convenient way to build up his equity position at a low cost provided the market goes up and debentures are converted. (Normally the conversion price is higher than the prevailing market price).

Due to their ready reception by the public dealers feel that borrowers are likely to turn more and more to such issues. If there is a series of them, there is a possibilitiy that the market may become oversaturated. The above four issues totaled $32 millions. ($3 millions Series "A" Barvue bonds did not have stock warrants attached). Also new issues might tend to be priced closer to the market and so provide less of a "kick" for investors. Any drop in the stock market would also affect the popularity of this type of issue.

If the bond market firms up—Government of Canada bonds were better in July—there is also the possibility that borrowers will turn back to straight bond issues without the convertible or some other special feature as these might present a cheaper way of financing.

There is not much new financing in sight now for August. July has been an active month and most firms would like to let their staffs away for holidays. Some dealers admit they are working on isues but do not expect them till the fall. Some are likely to be straight issues. Dealers are, however, watching the bond market closely and will not make a final decision till just before the time of the issues.

* * *

Chart Your Stocks Daily, Watch The Trend Signals

An interesting little pamphlet—can be read in 10 minutes—on how to take a good deal of the guess work out of playing the stock market, has been prepared by R. A. Garfield of The Stock Market Clinic, New York. Mr. Garfield advises market traders to start charting the day to day market action of their stocks so that they might catch the signals that herald the change of trend. All-important are the price penetrations of your stock through former low (or high) points, he says.

The pamphlet, titled "How to Understand Stock Market Movements," groups all market movements into four categories—minor, short term, intermediate and long term. The minor movement is one which persists in the same direction (either up or down) for a minimum of two days, average is three to six days; the short term move consists of two or more minor moves in the same direction and averages about six months and may last a year or longer; the longterm movement is comprised of a group of intermediate moves and may take years. The intermediate move is the best one to follow for capital gains traders; the true investor sticks to the long term movement.

IRA G. NEEDLES

has been appointed president, B. F. Goodrich Co. of Canada.

Offer Convertible Bonds Of Dominion Textile Co.

A new issue of $10 million 4% convertible sinking fund debentures of Dominion Textile Co. is being offered at $100 and accrued interest by a syndicate of investment dealers headed by A. E. Ames & Co., Collier, Norris & Quinlan Ltd. and Dawson, Hannaford Ltd. The issue is dated Aug. 1, 1951, and due Aug. 1, 1966.

Proceeds will be applied to reduce outstanding bank loans of the company and its subsidiaries which totaled $12,062,053 at July 25, 1951.

The issue is convertible for the first 10 years into n.p.v. common shares as follows: on or before Aug. 7, 1955 into 5¾ shares for each $100 principal amount (or at rate of $17.39 a share); thereafter and on or before Aug. 1, 1958, on basis of five shares for each $100 principal amount (or at rate of $20 a share); therafter and on or before Aug. 1, 1961, on basis of 4½ common shares for each $100 principal amount (or at rate of $22.22 a share).

The company will also provide a sinking fund commencing in 1955 sufficient to retire $5 millions or 50% of the principal amount of the issue prior to maturity. Converted debentures may be credited, at company's option, in satisfaction of sinking fund requirements.

Dominion Textile Co., the largest manufacturer of cotton textiles in Canada, has recognized the necessity of constant modernization and improvement of its plants and has spent over $18 millions in the five years ended March 31, 1951, for improvements and additions to its buildings and machinery.

Under the trust deed securing the debentures, the company may issue an additional $9 millions first mortgage bonds. In addition a further $3 millions first mortgage bonds may be issued by a future subsidiary or subsidiaries. As there is now $4,901,000 first mortgage bonds outstanding, the issuance of more than $16,901,500 first mortgage bonds will be restricted and governed by the provisions set out in the trust deed.

Capitalization, after giving effect to the convertible debentures, will consist of $3,431,500 3½% first mortgage bonds due Sept. 1, 1959; $1,470,000 3½% first mortgage bonds due Sept. 1, 1963; $10,000,000 4% convertible debentures due Aug. 1, 1966; 19,406 7% preferred shares, par $100; and 2,574,374 n.p.v. common shares. If all convertible debentures were converted on the basis which requires the maximum number of common shares a total of 575,000 common shares would be needed. Minority interests in subsidiaries total $716,235 in preferred and $38,555 in common stock.

The prospectus presents a consolidated statement of the company and its subsidiaries. Consolidated net profit, after minority shareholders' share of earnings for the year ended March 31, 1951, was $7,979,643. Net profit shown in company's annual report for the year ended March 31, 1951, was $5,124,438.

B. C. Phone Capital Spending To Total $10 Millions in 1951

British Columbia Telephone Co. will spend over $10 millions this year on expansion and improvement as a continuation of its postwar development program. Over $30 millions has been spent up to the end of 1950 based on present promises of delivery.

In Vancouver alone where more than half the system's 255,000 telephones are located, the company is spending $4 millions this year on projects ranging from increased trucking facilities to the opening of the first unit of $3 million Emerald-Dufferin-Fairmont automatic system. Major Vancouver dial project next year will be completion of "Elgin"—a $375,000 installation designed to expand service in the Fraser area.

Already this year the company has extended its system to embrace two B. C. communities previously without local service, with the opening of automatic exchanges at Union Bay, on Vancouver Island, and at Fruitvale, near Trail. Similar installations were opened at Castlegar and Osoyoos last year.

The steadily expanding automatic system will see the conversion of Haney in the Fraser Valley this year. In addition, company has announced plans for converting the Fraser Valley centre of Abbotsford and the Victoria satellite offices of Albion, Belmont and Colquitz, to automatic operation.

The company recently announced the start of work on a $1,700,000 trans-Canada long distance project designed to increase and improve these facilities between B. C. and Prairie and eastern Canada points. Biggest development of its kind in B. C. since war's end, the job involves poleline construction over the new 83-mile Hope-Princeton Highway and erection of a chain of repeater stations from Vancouver to Fernie.

Application to the Board of Transport Commissioners in May for rates to provide increases in long distance and exchange revenue resulted in an interim order July 6, with new rates in effect July 14 giving an increase in long distance rates by 12.08% and a 10% across-the-board increase in exchange rates. The board's interim order provided the company with 85% of the increase in revenue it sought. A public hearing on the company's application will be held in Vancouver on Oct. 9.

Following a record increase of 20,055 telephones in 1950, the company added another 9,093 in the first six months of this year. Local business day calling increased to a record average of 1,431,500 during the same period, compared with a corresponding figure of 1,374,600 last year. Filed long distance calls totaled 3,337,824 in the first six months of 1951, compared with 2,896,369 for the same period last year.

United Steel Earnings Up

Billed sales of United Steel Corp. for the first half of 1951 are over 25% ahead of the corresponding 1950 period, President T. J. Dillon reports.

Earnings are equal to 80c per common share for the first six months of 1951, 60% more than the comparable earnings of 50c a share for 1950, despite higher taxes.

Volume of business on hand is up $4 millions to $6.5 millions, exclusive of defense orders. This includes a coal and ore unloading bridge for Steel Co. of Canada, soaking pit cranes for Dominion Foundries & Steel (which line of product is a recent development of United Steel) and a variety of products for other basic steel makers. The entire volume is solely for domestic industry.

Barring any unforeseen increase in taxes, 1951 should be a very good year for United Steel, Mr. Dillon says.

Power Consumption Up 25% in S. Ontario

Average week-day primary power demands in Southern Ontario were 13% higher week ended July 22 corresponding week last year. Energy consumption was 25% higher.

Seasonal decline in primary energy demands continued. A 15,000 kw. generator was placed in service at Chenaux Generating Station to serve the Southern Ontario system.

C. SYDNEY FROST

At a recent meeting of the Board of Directors of The Bank of Nova Scotia, C. Sydney Frost, General Manager of the bank, was elected a Vice-president. *

Canada Life Plans To Split Shares 10-for 1

Canada Life Assurance Co., Canada's oldest life insurance company plans to split its shares 10-for-1 if shareholders approve.

The directors recently passed a by-law authorizing the split, subject to shareholders' confirmation and a special general meeting of shareholders has been called for Sept. 12 to consider the proposal.

Canada Life's capital stock at present is $1,000,000, fully paid up, comprising 10,000 shares of $100 par value each. When the stock is split, the company will have 100,000 shares of $10 par. Current dividend rate is $20 a share per annum, and the stock was recently quoted at around $660 a share.

E. C. Gill, Canada Life's president, told The Post this week: "We feel it would be desirable to permit wider distribution of the company's stock which would be possible under the split arrangement."

Canadian life insurance companies generally were authorized under amendments to the Canadian and British insurance companies act, in 1950, to split their shares when fully paid up, provided the par value of the new shares was not under $10.

At the par value of $100, shares of the larger Canadian life insurance companies have been selling at values which made their purchase impossible for people of moderate means, a situation which is altered when the shares are split.

Since the insurance act was amended a number of companies have split their shares including Sun Life of Canada, Imperial Life, London Life, and now Canada Life.

Brazilian Traction Has Drawn Down $55 Million Loan

Brazilian Traction, Light & Power Co. had drawn down $53,450,936 at June 30, 1951, of the original $75 million loan from the International Bank for Reconstruction & Development, according to the Bank's statement. This indicates that, during the first six months of 1951, the company has drawn down $9 millions on the loan.

In addition, the company had drawn down $1,379,576 at June 30, 1951, of the further $15 million loan approved early this year.

The loans are to help finance Brazilian's program of expansion of electric power and telephone facilities.

Abitibi's Net Drops 10.3% In First Half

Consolidated net profit of Abitibi Power & Paper Co. was $5,441,158 for the first six months ended June 30, 1951, equivalent to $1.25 a share on the 3,725,082 outstanding common shares, according to the semi-annual report. This is down 10.3% from the comparable 1950 net of $6,065,138, equivalent to $1.38 a share on common shares presently outstanding.

Consolidated net sales were up 18.7% to $53,462,834 ($45,048,264 for first six months of 1950).

Increasing costs and increasing taxes both were important factors in the results so far this year, President D. W. Ambridge says. Profits were down in spite of a continued demand for pulp and paper products which exceeds the supply.

Pulpwood costs continue to increase and it seems likely that the amount of money tied up in pulpwood would be substantially higher by the end of the year, Mr. Ambridge says. A very large proportion of the "inventory" item of $28,332,781 at June 30, 1951, is represented by pulpwood and expenditures on logging operations, he adds.

Financing necessary as a result of the acquisition of 50% of the shares of Alaska Pine & Cellulose Ltd. has been successfully concluded and the bank loan retired. As Alaska Pine & Cellulose Ltd. is not a subsidiary, its earnings for the period under review are not included in the report.

Its operations are reported as satisfactory with production of its dissolving pulp substantially higher than it has ever been. A contract with United Kingdom for lumber was recently concluded.

Abitibi's new hardboard mill at Sturgeon Falls is now in operation and satisfactory progress is being made on the major renovations to the Provincial Paper Ltd. mill at Thorold, Ont., Mr. Ambridge says. Elsewhere improvements to mills are being carried out according to plan, he adds.

Working capital amounted to $25,480,783 at June 30 ($24,518,515).

Money at Work

Money, like man, was made to work. Whether money is employed by investing it in Government Bonds or in sound Industrial Securities is a matter for the individual investor to decide.

If you have personal savings to invest, or are charged with the investment of funds for a business or institution, we invite you to consult us about the matter. Any recommendations we make are based upon known facts about each security and have due regard to safety of principal, regularity of income and ready marketability.

Immediate and careful attention will be given to your inquiry.

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Both Series of Bonds having been sold, this advertisement appears as a matter of record only.

NEW ISSUE

$7,000,000

Barvue Mines Limited

(No Personal Liability)
(Incorporated under the laws of the Province of Ontario)

$3,000,000 5% First Mortgage Sinking Fund Bonds, Series A

$4,000,000 5% First Mortgage Sinking Fund Bonds, Series B
carrying Stock Purchase Warrants

To be dated August 1, 1951 To mature August 1, 1956

The payment of the principal of and premium (if any) and interest on the Series A Bonds and Series B Bonds, which will rank pari passu as to security, will be unconditionally guaranteed by Golden Manitou Mines Limited (No Personal Liability).

Trustee: National Trust Company, Limited

In the opinion of Counsel, the Series A and Series B Bonds will be investments in which The Canadian and British Insurance Companies Act, 1932, as amended, states that companies registered under Part III thereof may, without availing themselves for that purpose of the provisions of subsection (4) of Section 60 of said Act, invest their funds.

The Series A Bonds have been sold privately. We, as principals, offer the Series B Bonds if, as and when issued and accepted by us and subject to the approval of all legal matters on behalf of the Company by Messrs. Hughes, Agar, Amys & Steen, Toronto, and on our behalf by Messrs. Borden, Elliot, Kelley, Palmer & Sankey, Toronto.

Price: 99 and accrued interest

It is expected that Bonds in interim form will be ready for delivery on or about August 15, 1951.

A prospectus will be furnished promptly upon request.

McLeod, Young, Weir & Company
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Nesbitt, Thomson & Company, Limited
W. C. Pitfield & Company, Limited
James Richardson & Sons
L. G. Beaubien & Co., Limited
Draper Dobie & Company

W. GORMAN KENNEDY

Has been appointed Director of Sales of National Breweries Limited, Montreal, it was announced today by Mr. G. S. Currie, President and Managing Director. Mr. Kennedy, in addition to his duties as Director of Sales, will continue to supervise the advertising and public relations programs of the Company, and will make his headquarters in Montreal.

• • •

Mr. Kennedy is President of the Canadian Amateur Ski Association. He is also a Director of the Quebec Provincial Committee, Air Cadet League of Canada, and is a member of the American Marketing Association. He was educated at Loyola College, Montreal, and is an active member of St. Mary's Associates. *

Ask your Investment Dealer or Broker for prospectus.

CALVIN BULLOCK Ltd.

Can. Inv. Adds Preferreds, Cuts Commons Holdings

MONTREAL (Staff) — Increases in holding of preferred shares and cuts in common holdings featured portfolio changes of Canadian Investment Fund in the second quarter of 1951.

In the three months ended June 30, the Fund boosted its holdings of nine preferred issues, added three not previously held; smaller holdings were shown in 11 common stocks, increases in two (not including stock splits).

In number of shares held, biggest changes in the preferred portfolio included Aluminum Co. of Canada 4% up 3,750; Canadian Celanese Ltd. $1.75 series, up 2,000; Imperial Tobacco Co. of Canada 4%, up 2,225; Shawinigan Water & Power Co. 4%, up 2,000; and George Weston Ltd. 4½%, up 2,000.

In common holdings, the largest decreases included Loew's Inc., down 5,000; National Breweries Ltd., down 1,900; Howard Smith Paper Mills Ltd., down 1,800; and Steel Co. of Canada, down 1,625.

Actual changes in the portfolio were:

PORTFOLIO CHANGES
March 31, 1951 to June 30, 1951

Common Stocks:	Shares Held at June 30	Change
B-A Oil	27,000	—1,400
Can. Malting	......	—730
Can. Celanese	18,400	—825
Can. Industries	11,000	—675
Cons. Smelters	12,100	—1,155
Cons Paper	33,700	—1,300
H. Smith Paper	2,700	—1,800
Loew's Inc.	......	—5,000
Molson's B	......	—75
Nat. Breweries	9,100	—1,900
Safeway Stores	5,000	+2,000
Stand. Oil (N.J.)	6,000	*+3,000
Steel Co. of Can.	44,000	—1,625
Texas Co.	10,800	*+5,400
Geo. Weston Ltd.	16,500	†+4,150
Preferred Shares:		
Alum. Co. of Can. 4%	6,750	+3,750
Can. Celanese $1.75	5,000	+2,000
Can. Industries 7%	850	+550
Dom. Glass 7%	3,700	+1,200
Dom. Textile 7%	550	+350
H. Smith Paper $2	1,275	+1,275
Imp. Tobacco 4%	6,225	+2,225
Lake of Woods M. 7%	185	+185
Nat. Breweries 7%	3,150	+1,150
Ogilvie Flour 7%	405	+105
Shaw. W. & P. 4%	4,000	+2,000
Geo. Weston 4%	2,000	+2,000
Bonds:	**Par Value Held**	
Dom. of Can. 2¼% '56	$630,000	—$630,000
Do 3% '56	$1,100,000	+$650,000

*Split two-for-one.
†Including one share received for each two held.

At June 30, the quarterly report states, 6,914,722 shares were outstanding, a new record and a net increase of 65,096 shares over March 31. Total net assets, with securities valued at market quotations, amounted to $41,357,548. Balance of realized profit on investments was $1,879,357 and in addition total market value of investments exceeded their average cost by $8,767,388.

At June 30, the portfolio contained 82 individual issues. Funds were held as follows:

Holdings:		% of total net assets
Bonds		9.60
Preferred stocks		4.05
Common stocks:		
Automotive	2.78	
Banks	2.45	
Base metals	14.37	
Building industries	4.72	
Chemicals	1.88	
Foods & beverages	7.33	
Gold mining	3.82	
Heavy industries	7.31	
Paper & newsprint	10.35	
Petroleum	5.81	
Public utilities	4.92	
Retail trade	1.21	
Textiles	4.09	
Miscellaneous	6.36	
Total common stocks		77.60
Total investments		91.25
Cash, etc.		8.75
Total net assets		100.00

Net income for the first six months of 1951, exclusive of profit and loss on sale of securities, totaled $722,998, against $592,961 in the first half of 1950.

Alaskan Timber Contract Awarded

The opening of Alaska's forest for pulpwood supplies moved a step forward with the awarding of a final contract for 1,500 million cubic feet of Alaskan pulp timber to Ketchikan Pulp & Paper Co., Bellingham, Wash., by the U.S. Agricultural Department's forest service. Sale was made on the basis of a cutting contract expiring June 30, 2004.

This timber, roughly equivalent to 8 billion board feet, is sufficient to supply a pulp mill of 500 tons daily capacity for 50 years, it is stated. Most of the timber covered in the contract is on the north portion of Prince of Wales Island. It is in the Tongass National Forest in southeast Alaska. It is 75% hemlock and the rest is mainly sitka spruce.

The timber is to be used for a high alpha dissolving pulp.

Ketchikan Pulp & Paper Co. is partly owned by American Viscose Corp. of New York City and partly by Pudget Pulp & Timber Co., of Bellingham, Wash.

While the company does not plan to manufacture newsprint that possibility arose for the future from a statement by Forest Service officials that this is only the first of several pulp mills that may be constructed in the Tongass forest.

Commonwealth Adds 3, Deletes 5 Common Stocks in Portfolio

MONTREAL (Staff) — Purchases of three new common stocks for its portfolio and increases in holdings of five others and one class "A" stock, decreases in holdings of three common stocks and elimination of five more featured portfolio changes of Commonwealth International corp. in the three months ended June 30, 1951.

The three new additions on the Fund's books were common shares of Bell Telephone Co. of Canada, Canada Iron Foundries Ltd. and Canadian Canners Ltd. Those eliminated completely were common shares of Brazilian Traction, General Motors, Phillips Petroleum (Delaware), Pure Oil and Standard Oil of New Jersey.

Actual changes in the portfolio, from April 1, 1951 to June 30, 1951, were as follows:

Stocks:	Shares Held at June 30	Change
Bell Telephone	2,000	+2,000
Braz. Traction	......	—3,000
Canada Iron	3,000	+3,000
Can. Bronze	2,525	+525
Can. Canners	2,000	+2,000
Can. Celanese	10,350	—650
Dom. Textile	10,000	+4,375
Ford A	750	+750
General Motors	......	—2,000
Hudson Bay M. & S.	6,000	+1,000
Inter. Nickel	6,000	+2,000
Inter. Paper	2,600	—2,400
Phillips Pet. (Del.)	......	—1,000
Price Bros.	15,000	—2,000
Pure Oil	......	—2,000
Stand. Oil (N.J.)	......	—500
Geo. Weston (new)	6,000	+700
Do. (old)	......	—25

Other portfolio changes included: Abitibi, received 27,000 new shares for 9,000 old shares on three-for-one split; George Weston, received 5,300 new shares for 3,975 old shares on four-for-three split.

Percentage holdings in the various groups, as at June 30, 1951, were as follows:

Holdings:		% of total net assets
Bonds, cash, etc.		2.27
Stocks & convertible debentures:		
Automotive	1.28	
Banks	1.68	
Base metals	14.66	
Construction	9.15	
Food	2.02	
Gold mining	3.90	
Heavy industry	11.01	
Merchandising	4.53	
Oils	5.08	
Public utilities	5.74	
Pulp & paper	20.00	
Railroad & railroad equip.	5.74	
Textiles	7.59	
Miscellaneous	5.35	97.73
		100.00

Jet Trainers For RCAF Said Next For Canadair

MONTREAL (Staff)—Canadair Ltd. announcement of its selection by the U. S. Government as a joint producer of the new-type advanced trainer-transport, T-36, for the U. S. Air Force confirms earlier reports in The Financial Post (June 23, July 21) that negotiations regarding the new aircraft were under way.

Details in connection with production at Canadair of the T-33 (Shooting Star) jet trainer, a $100 million order, have not yet been completed, it's understood, but an announcement could come at any time.

Although some of the T-36 trainers will go to the RCAF, an important part of the deal from the point of view of Canada's exchange position is the order for the USAF. The company does not state the amount involved but it says it's the largest order the U. S. Air Force has placed outside its own borders.

The T-33, on the other hand, is slated for production for the RCAF only so far, if and when the details are straightened out. This, too, will mean a saving in expenditures in the U. S. The Canadian Government has indicated it would also like to have Canadair become an alternate source of T-33's for the U. S. and other NATO countries.

The T-36 contract was awarded following a competition in which Canadair and Beech Aircraft Corp. in the U. S. submitted proposals, along with other leading American manufacturers, for the design and production of an aircraft to USAF specifications. Besides making planes as a prime contractor, Canadair will co-operate with Beech in the aircraft's engineering design and in the design and tooling of many of the tooling items.

This will mean an immediate expansion of Canadair's engineering design staff and also hiring of additional tool-makers and designers, the company states. By the end of 1952, its manufacture will require 8,000 additional workers. Present employment is about 6,000-6,500. If the jet trainer program gets under way as well, total employment may jump to 18,000.

The T-36 is basically an advanced twin-engine (piston-powered) trainer, but converts readily to cargo transport. The cabin has 10 seats and can handle a load of 4,000 lb. Engines are Pratt & Whitney R2800. Manufacture will be carried on in the No. 1 plant where the North Stars and Canadair Fours were produced.

Shawinigan Pr. Net Profit Up

MONTREAL (Staff) — A big 20.7% gain in gross revenues offset a 15% boost in expenses and highest fixed charges, depreciation and taxes for Shawinigan Water & Power Co. in the first half of 1951.

Net profit for the period rose 9.6% to $2,363,222, compared with $2,155,910 in the first six months of last year. On a per share basis, the net was equal to 85 cents (77 cents) on the common stock.

Gross revenues for the six months ended June 30, 1951 totaled $18,216,055, against $15,082,814 same period of 1950, a new record for a six months period. This was due largely, it is stated, to the company's new 325,000 hp capacity development at Trenche, which has come into operation progressively since last December. Expenses rose to $9,194,951 ($7,994,471), fixed charges to $2,006,638 ($1,909,231) and provision for depreciation to $2,500,000 ($1,900,000). Provision for income and profits taxes, which includes the new defense surtax, was almost doubled at $2,118,927 ($1,072,202).

As regards taxes, reports president J. A. Fuller, a recent decision of the income tax appeal board allowed the appeal of the company against assessments made since 1947 for federal income tax, disallowing as deductions from its taxable income amounts paid to the Province of Quebec under the provision of "an act to insure the progress of education." Pending expiry of the period during which the minister of national revenue may appeal this decision, the company also has continued to provide for federal income tax on the basis of disallowance of such payments.

Saguenay-Quebec Tel. Will Add 150,000 Common

MONTREAL (Staff)—La Compagnie du Telephone Saguenay-Quebec has received supplementary letters patent ratifying an increase in its capital stock by the creation of 150,000 additional no par value common shares.

It's understood that additional shares will be offered shortly to existing shareholders to provide funds for the company's expansion program. There are now 270,000 no par value common authorized, 120,000 outstanding. Belle Telephone Co. owns a controlling interest in the company.

Hinted U. S. Paper Cutback Doesn't Ease Demand Here

MONTREAL (Staff) — Suggestions that an easing in the demand for paper and paper products in the United States may be in the cards, have not been reflected in any drop in demand here yet, trade sources here say.

Nor is any decline looked for in the immediate future. Business remains good in virtually all sections of the pulp and paper industry here, it's indicated.

Fine papers, whose market is almost entirely domestic, were increased recently from $5 to $20 a ton, depending on the grade, to offset May wage increases and other rising costs. Demand remains strong, however, and although there is a slight let-up at the moment due to vacations, industry men see no prospect of a decline in the immediate future.

As for fine paper prices, "the trend is still up," one official commented.

To try to cope with the demand three fine paper companies (Howard Smith, Provincial Paper and E. B. Eddy) are boosting their capacity 43%, from 150,000 tons annually to 215,000. Total Canadian output last year was 235,000 tons.

Market pulp prices in the third quarter have remained at second quarter levels and are expected to remain steady. The U. S. has placed price ceilings on its domestic output and the Canadian Government and the industry here have been co-operative to try to hold the price line on pulp sold in the U. S. Any increase in price would have to be okayed by the Federal Government and at the moment, there's no sign of any move to make any further increases.

U. S. demand for Canadian pulp continues strong. It's expected that paperboard production may ease somewhat due to the vacation season, but there's still a normal growth factor plus defense buying to keep production at high levels. U. S. weekly paper and board production reports show output to late July running consistently ahead of last year and headed for a new record tonnage. Canadian demand is also strong, producers report.

Newsprint consumption in the U. S. has leveled off, but at a high level. Canadian mills not only have their large U. S. accounts to supply, but if any drop appears, they have waiting lists of overseas customers hungry for paper These would gobble up the available paper quickly, so long as the drop was not a large one.

OIL PRODUCTION

Record Alta. Oil Well Quota 168,449 Bbl. For August

From Our Own Correspondent

CALGARY — More oil than ever before will be flowing from Alberta's oil fields in August. The Conservation Board has set a market allowable quota that will bring daily production up 11,000 bbl.

Daily production is scheduled at 168,449 bbl., compared with 157,471 bbl. for July. June allowable was 156,120, May quota, 144,577. The average allowable during first four months was below 100,000 bbl. a day.

Allowables will be cut back after the tankers stop moving on the Great Lakes late this fall. But winter low point will likely be between 130,000 bbl. and 140,000 bbl. a day, more than twice last year's rate.

The August increase reflects the flow of oil across the lakes, higher per capita oil consumption in Canada, and seasonally high consumption on the prairies

Big increase is for Redwater field. Here are changes, by fields:

	Bbl. per day July	August
Redwater	86,990	93,757
Leduc-Woodbend	42,763	45,673
Turner Valley	7,500	7,000
Lloydminster	4,100	4,100
Golden Spike	3,181	3,938
Acheson-Stoney	2,803	3,440
Excelsior	2,621	2,882
Other	7,513	7,659
Total	157,471	168,449

Crude oil production in the week ended July 23 was 161,103 bbl. a day, from 2,393 wells in Alberta capable of oil production. This was a decrease of 1,235 bbl. a day from the previous week.

• • •

Promising Discoveries

Three interesting oil and gas finds have been made in Alberta areas which are relatively unexplored.

Two Edmonton independents got a light crude from Devonian D3 coral reef at American Leduc-Bashaw No. 1 in the Bashaw area, not far north of Stettler. There is talk of a new Bashaw oil pool. The two companies, American Leduc Petroleums and Yankee-Canuck Oil & Mining, own a 2,300-acre checkerboard around the field and will drill American Leduc-Bashaw No. 2 one-quarter mile south of No. 1.

The first flow at No. 1 tested 2,500 bbl. a day. One portion of the D3 gave 8,500,000 cu. ft. max. flow rate of natural gas. A Bashaw wet gas reef is known to exist. The exploration team plans to drill out the quarter section of the discovery before step-out drilling on other parts of their checkerboard.

Texaco Exploration and McColl Frontenac struck gas which tested at 9,500,000 to 10,500,000 bbl. a day, at Majeau Lake. They have capped the well, to await a market for the gas. The gas was found in the Madison limestone, which has a good record as a gas source at Turner Valley, Jumping Pound and Pincher Creek.

The find has been termed one of the most promising this year. Texaco-Majeau Lake No. 2 is part of holdings in which McColl has 10% interest. Gas contains condensate.

At Pine Lake, 40 miles from Majeau Lake and 23 miles southeast of Red Deer, Husky Oil Refining and Phillips Petroleum have found light oil. The well may prove commercial, at last information.

It is the team's first find of light oil in western Canada. They have an exploration program of several million dollars in hand. The oil was found in the Devonian D2 zone. Even if the well does not prove commercial, it is expected to stimulate exploration on the south-central plains. Husky-Phillips have 10,000 acres around their Husky-Phillips-Pine Lake No. 1. A well-developed D3 Devonian reef was found nine miles northeast at Socony-Gulf-Amerada - Wimbourne No. 1 (otherwise a failure) and a heavy flow of natural gas and some crude oil was found in the D2 at Bailey-Olds No. 1 28 miles north-northeast.

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Imperial Expands Work

Imperial Oil has stepped up its geophysical exploration and now has 19 crews working, an all-time high for a single company in western Canada. It had 15 parties at the beginning of June.

Fifteen crews are in Alberta, three in Saskatchewan, one in Manitoba. Imperial added four crews in Alberta, dropped one in Manitoba in the latest month.

Shearwater, N.S., Gets Montreal Bank Branch

Bank of Montreal announces opening of a branch at Shearwater, N.S., scheduled August 6, to be operated as a sub-agency of the Halifax branch. A service of three days a week — Monday, Wednesday, Friday — will be given in the new branch.

D. R. MICHENER, K.C.

Who was elected president of the Tungsten Corporation of Canada Limited at a recent directors' meeting. Shares of the company were listed for trading on the Toronto Stock Exchange on July 27th. *

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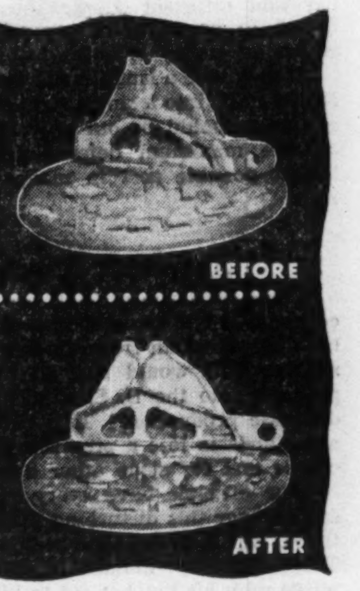

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Pawns in a Power Play

If ever there was a completely senseless, unjustified strike, it is the one now on at the Hollinger gold mine in Timmins-Porcupine camp in Northern Ontario.

It is an outrage against the town of Timmins which depends largely on Hollinger's $17,000 a day payroll; against the individual strikers and against the public interest generally.

Here's a strike that was not called for higher wages, nor for lower hours, nor for union recognition.

For what then?

The checkoff—that union device which forces the employer to deduct union dues from the employee's pay envelope and from which the union machine is the only beneficiary.

To take men off work over such a minor issue union organizer Millard obviously must have motives other than the welfare of his union and the Hollinger miners.

This seems to be the answer. Millard is one of the big brass in the Ontario CCF party and with ambitions to be still bigger brass. And a main CCF plank is to make the checkoff compulsory for everybody.

So the Hollinger miners and the whole Timmins community are being made the sacrificial goats in a power play to try and promote the CCF.

Total payroll lost so far is about $300,000. Some miners have left the area to seek work elsewhere. The gold mine operators in today's unfavorable climate for their industry have little incentive to rush a settlement. The Timmins business community ruefully remembers that in about 10 years another big mining town Kirkland Lake has declined in population from 26,000 to 8,000.

Millard's threat that if the company didn't settle he would move workers to other areas hurt him a good deal. He talked of moving men—and their families—as if it were as inconsequential and as much a matter for his dictatorship as moving cattle.

But this whole Hollinger business shows how irresponsibly some labor leaders play with the welfare of the people they profess to serve.

Lower Food Prices at Last?

Canadian housewives, who recently have been forced to pay as much for a pound of round steak as they once did for a family roast, should be getting a break soon. For the first time in 10 years feed grains, the raw materials for meat, dairy and poultry products, are showing substantial price declines. And with big crops promised for all across the country, that trend may be expected to continue.

A year ago feed oats were selling for well over $75 a ton in Central Canada. Now they are down to around $60. Barley and other livestock grain feeds have shown the same trend. Unless we run into some very unfavorable weather, production of these grains this year will be unusually good. The same applies to hay and pasture, two other major raw materials in the production of beef, mutton and dairy products.

Some of this cheaper and more abundant raw material is available now and should be reflected in lower milk, butter and cheese costs almost immediately and in lower meat and egg costs three to six months from now.

This is good news not only for the consumer but also for the producer. No one appreciates more than the farmer, the danger of excessive prices for meat and dairy products. Dollar round steak and 75-cent eggs and butter can lose a lot of customers and stir up a lot of ill feeling—often unjustified—between town and country.

Need More Than Numbers

One flag, one uniform and one command is said to be the aim of General Eisenhower for the international army he is building in Europe. Few people, with any knowledge of the peculiar difficulties in handling allied forces in the past, will disagree with that.

Time and again Napoleon was able to defeat or hold off far larger forces because he had a single national army while his opponents depended on various combinations. The same was true in both the first and second world wars when the Germans were nearly always outnumbered, sometimes by more than two to one.

With different uniforms, different rates of pay and different supply lines etc., there is bound to be a lot of confusion and friction which an enemy is quick to exploit.

It may take a long time to weld Eisenhower's NATO units into a single fighting force but that certainly should be our objective if we are to achieve maximum defense protection at the lowest possible cost in manpower and materials.

Shouldn't Shock Us

Canadian trade officials are much concerned about a bill being sponsored in Washington by a congressman from the dairy state of Minnesota. This would ban all imports of dairy products into the U. S. if such "would impair domestic production." If it becomes law Canada stands to lose a promising new market for cheese and for some other dairy lines.

Our officials have every right to be concerned over this disturbing threat to legitimate trade. But they shouldn't pretend to be shocked. This monopoly minded Minnesota representative with his hatchet out to kill dairy imports from Canada is only following on a larger scale a deplorable lead set by Ottawa a few weeks ago.

In the dying days of the last session a government bill was rushed through the House which prohibited interprovincial trade in dairy substitutes. It was aimed at the shipment of margarine from one province to another. If this country accepts that sort of interference with one product, what is to prevent its extension to other products.

Instead of one single trading area from the Atlantic to the Pacific Canada could be divided into 10 airtight compartments, each banning the goods of its neighbor, each with its own petty monopolies. Canadian dairymen who try to prevent competition within their own country are in a poor position to complain about foolishness in another country.

To Review Charities

The urgent need for some sort of public body to separate the wheat from the chaff in the charity business has finally been recognized by the fund-raising organizations themselves. From Ottawa comes word that a 10-man committee representing the major national health and welfare organizations is studying a proposal for the creation of a review board.

Such a national board is long overdue. That has been made abundantly clear by recent exposures in The Financial Post of two funds. As a result, both are now being investigated by the Ontario Public Trustee.

Nothing should be allowed to obstruct the creation or restrict the operations of such a board. The future of philanthropic giving in Canada depends upon it. Something has to be done to let the public know what charities are worthy of public support.

But to be workable, such a board of review should not be too large. A representation of 30 has been suggested. This is much too big and unwieldy.

It is essential too, that at least a majority of the board should have no direct connection with the charitable business. The destination of tens of thousands of philanthropic dollars will depend on the board's decisions. It is imperative that those decisions be as impartial as possible.

Some members of the board should be from the charitable field so that their professional advice will be available but the majority should be representative of the paying public.

This proposed committee is not being created to stop anyone giving to anything. There must be no interference with the individual's right to spend his own money as he likes.

What is needed is some place where individuals and corporations can go for sound advice as to where their charity dollars will do the most good.

How Good is Economic Education?

Under this title Fortune magazine reports the findings of an elaborate investigation by the Brookings Institution.

The Brookings report makes doleful reading.

(1) Only one out of four college students take courses in economics and only 10% of high school students. Generally speaking economics is regarded by students as a dull subject.

(2) The general textbooks, used in teaching the subject, were found to be inadequate, often written by people insufficiently trained in the field.

(3) Most of the general textbooks emphasize the shortcomings of private enterprise. Many of the texts suggest, subtly, that government must have a bigger role in running the economic life of the country.

(4) The educational publications undertaken by nonacademic agencies tend to overdo the act. They spend considerable sums of money extolling the virtues of private enterprise, but, according to Brookings, they are generally ineffective.

(5) There seems to be an idea that by high pressure campaigns, slick slogans, attractive pictures, the masses can be educated to understand the economic problems underlying our way of life.

We have no study on the Canadian schools to compare with the Brookings job, but since in most faculties a great proportion of U. S. textbooks are used, the same sort of criticism doubtless applies for this country too.

Worse Inflation Ahead?

The OEEC (Organization for European Economic Co-operation) has been doing some international calculations on prices and comes up with this:

Since the Korean fighting began living costs in Canada, the United States and Britain have increased 9% each, Norway up 16%, Sweden up 17%, Austria up 18% and France up 20%.

But the worst part of the news is this. OEEC points out that in the same period raw material prices increased 50% and the price of manufactured goods went up 20% which suggests that the full inflationary impact has yet to come.

A Field With a Future

Post readers advising boys on choice of a vocation would do well to point out the merits of training as a building trades apprentice.

It is a little known fact that the average bricklayer earns about twice as much per week as the average industrial worker. And due to modern, year-round construction methods, he usually is employed as many weeks per year.

Of course, the apprentice in bricklaying or any other building trade does not start off with this advantage in income. At first he must accept less than as a factory hand. But he gets regular raises and at the end of four years qualifies for top pay.

The lad taking apprenticeship training puts no ceiling on his future. Opportunities in the trade have never been as numerous or big as they are today. Skilled mechanics are becoming foremen and managers at half the age of those a generation ago. Robert Drummond, president of the Canadian Construction Association, started life as an estimator-apprentice. Herbert C. Nicholls, president of the National Construction Council, was originally a carpenter-apprentice.

Apprenticeship training schemes are offered by the departments of labor in all provinces except Prince Edward Island and Newfoundland. Quebec uses the "open" system, but elsewhere apprentices are indentured to an employer who undertakes to teach them the trade of their choice. Besides practical experience, the apprentice is given formal instruction at a provincial school which he attends several weeks each year. This provides a complete, all-round training that begins to pay off handsomely in a remarkably short space of time.

Well Said

"Even more vital than a speedy strengthening of our common defense is a 'faith which can remove mountains,' as is said in the Bible. Without this faith in our own future, even the mightiest fortifications, the most perfect equipment and the cleverest military positions remain empty shells which are unable to withstand any storms."—*Dirk Stikker, Netherlands Foreign Minister.*

Napier Moore's

Scratch Pad

THE CIRCLE of really colorful characters we have met via the writing trade and whose company we have relished is steadily diminishing. Now Bob Flaherty is gone. He was more than a maker of documentary films which brought him world fame. He was a rollicking, adventurous, kindly, convivial soul who enjoyed every minute of life; a great raconteur.

Robert J. Flaherty was born in Michigan. His father was a mining engineer who spent most of his time in Canada's northland. So Bob was sent to Upper Canada College. Later he graduated from Michigan's College of Mines. Like his father, he couldn't resist the call of the north. One of his first jobs was exploring for that amazing combination, Mackenzie and Mann. Then he led four expeditions in the sub-Arctic, making grueling treks across country known only to the Eskimos and the Mounties. He mapped the Belcher Islands and sections of Northern Ungava.

We have forgotten who suggested to Flaherty that he take moving pictures of his travels. But on one of his trips, around 1916 it would be, he became fascinated with the idea of recording Eskimo life, a subject concerning which his principals couldn't have cared less. He arrived in Toronto with 70,000 feet of film. In a darkened office on Church Street he accidentally flipped a cigarette butt into it. There was a flash and months of arduous work went up in flame. With a few reels of not too satisfactory duplicates he went to New York; showed them to Reveillon Freres, the French fur company. Reveillons were interested in the Hudson's Bay country, undertook to finance the making of another film. The result was Nanook of the North.

We first met Flaherty in Montreal when Nanook was showing there. We met him in Toronto when he came back from Samoa with Moana of the South Seas and from Ireland with Man of Aran. We met him in London when he returned from India with Elephant Boy. And the last long conversation we had with him was when he came back from New Orleans with Louisiana Story.

* * *

WE WERE HEARKENING to an ex-R.C.M.P. man who attained high rank in the force. He was one of the healthiest-looking specimens we ever did see. He said: "Look at me—retired on a pension. Age limit. I'm in perfect physical shape. Mentally as keen as the day I joined the force. I've many years of experience back of me as policeman and investigator. And I'm on the shelf. Nothing to do. Now, the force is recruiting young men. But there aren't enough of them to keep pace with regular police duties and also the demands occasioned by security against subversive activities. All over the country industries necessary to the defense effort are establishing their own security organizations. But they want help from the R.C.M.P. Now that's the type of job I—and a great many more like me—could do perfectly and free younger men for regular police work. I'm not primarily interested in the pay end. It's simply that I want to be useful. And I can't get to first base because I'm what they are pleased to call 'over age.'"

A day or two later we ran into a man we know who, after long service in Canada's permanent air force (he had a lot of scrambled eggs on his uniform) was retired on pension a year or two ago. He then started to take a university course, not with any idea of practicing law, but to demonstrate to himself that he could do it. He's on his last year. Like the ex-Mountie he too is anxious to serve his country. We imagine he'd make a first-rate attache, for instance. But he can't work for the Dominion Government because he is on federal pension. And in other lines he is stymied because he is retired. He is not quite 57.

* * *

AT 16, R. SCOTT MISENER, was a deckhand. Today, Captain Misener is president of Colonial Steamships.

Charles Ansell started as an office boy. Today, he is president of Port Weller Dry Docks Ltd.

Last month there was commissioned the largest vessel ever built in Canada. It was built by Mr. Ansell's company for Captain Misener's company, and it is named Scott Misener.

Neither owner nor builder got where they are by sticking to an eight hour day. Canadian Shipping quotes the captain, now 70: "When I begin to get tired after an 18-hour day, I'll retire."

Incidentally, when the vessel left on her maiden voyage she was under the command of her owner, Capt. Misener. The first mate was John Misener, his son. And the second mate was Clayton Misener, the owner's brother.

* * *

WE LIKE an Investment Dealers' Digest squib to the effect that U. S. banks are recording depositor demands for 1933 silver dollars; this demand being the result of a leaflet pointing out that the 1933 dollar would buy twice as much as those currently being issued.

Stop Me If—

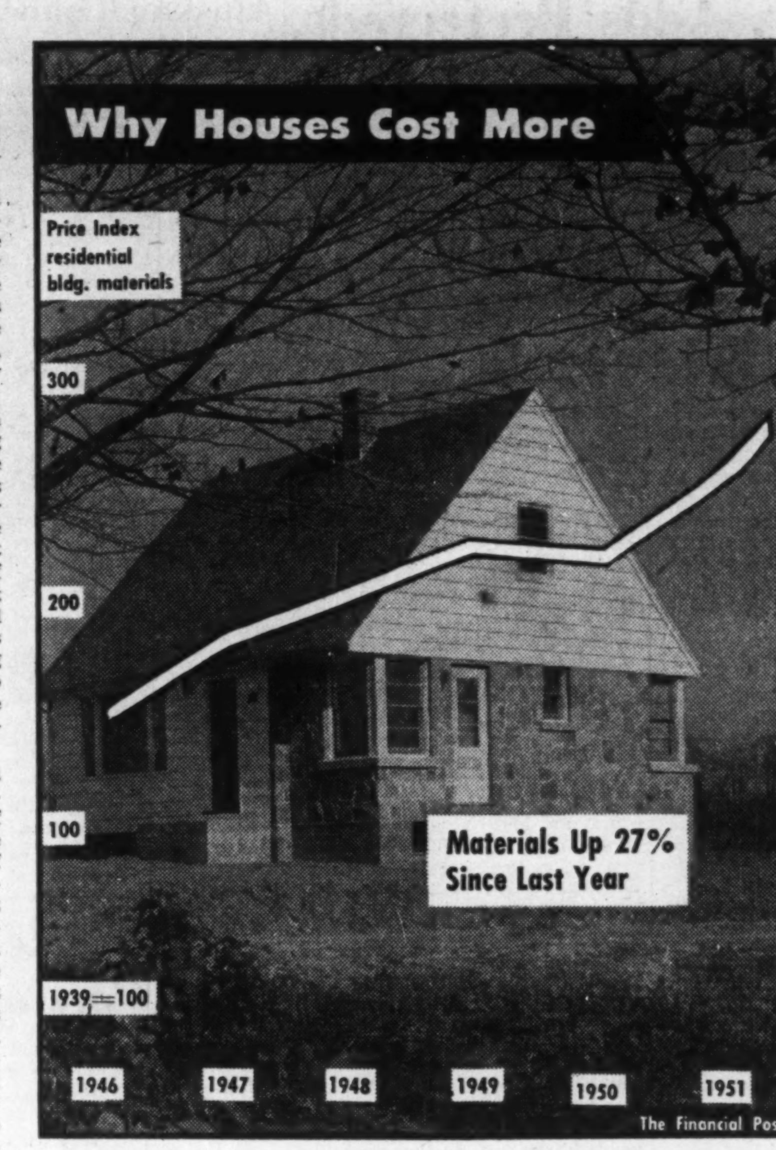
"Daddy, don't they ever give showers for the groom?"

"No, son. There will be storms enough for him after the bride begins to reign."

At the fruit store one day the small boy was offered some cherries. He refused. Didn't he like cherries, asked the store owner. Sure, he did. "Well, then," said the man "have some." And he picked up a handful and dropped them in the boy's cap.

"Why didn't you take them yourself?" his mother asked later.

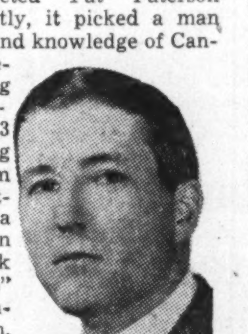
"Because," said the young lad, "his hand was bigger than mine."



Post Scripts

He Started Early

When the Canadian Metal Mining Association elected "Pat" Paterson president recently, it picked a man who has first-hand knowledge of Canada's fast-developing mining industry. Paterson spent 13 years in mining camps from Quebec to British Columbia before 1937 when he went to work for the late "Ike" Waite at Mining Corporation, where he is now general manager. And he is still well in touch with developments in the field, but he is "on the road" a mere two to three months a year now.



MR. PATERSON

As president of CMMA he succeeds Eldon L. Brown, head of Sherritt Gordon Mines. The Association, with 86 member mining companies, is national spokesman for Canada's important gold, base metal and industrial mineral mines.

John Arthur Henry Paterson was born 47 years ago in Westmeath, near Pembroke, Ont. He attended school in his home village and in Pembroke before going to Queen's. He was a mining engineer before reaching his 21st birthday. After a year on a government geological survey, Paterson went to work at Hollinger. Two years later he moved on "to get experience." For the next 10 years he worked as examining engineer for various mining companies taking part in the pioneering days of several mines.

At 34 he was appointed assistant general manager of the Mining Corporation. He was appointed general manager in 1944. From 1942 to 1944 he was assistant to the metals controller, Department of Munitions and Supply.

In 1931 he married Grace Louise Wilson of Toronto. Mrs. Paterson lived the life of an engineer's wife in the northland until they moved to Toronto in 1934.

Mr Paterson has many outside interests but can't devote as much time to them as he would like. His golf (York Downs at Toronto) averages the 90's—"only get time to play on the week ends." Other interests are skiing, music and photography. Professional affiliations include Professional Engineers of Ontario, Canadian Institute of Mining and Metallurgy, Engineers' Club of Toronto. He is a member of the United Church.

* * *

Opens Them Fast

An unusual role in development of Canadian mining has been played recently by Harry Wallace Knight Sr., a partner in the Toronto Stock Exchange brokerage firm of Draper, Dobie & Co. and perhaps more widely known as president of Golden Manitou Mines and Manitou-controlled Barvue Mines. Almost unheard of in Canadian mining is Knight's recent feat of raising $7 millions to finance a 4,000-ton mill for Barvue Mines on a property which little more than eight months ago was shy even a drill hole.

MR. KNIGHT

The surprising Barvue deal not only represents success in establishing an outstanding zinc ore body by use of the drill but the application of Knight's energies to marketing and financing.

In company with Horace Young, president of American, Lead, Zinc & Smelting Co., Knight "sold" a subsidiary of U.S. Steel on a Barvue zinc marketing deal which is regarded as much out of the usual in metal circles both for price paid and quantity of metal concerned. Knight also played a leading role in arranging a deal with Aluminum Co. of Canada which means about 40,000-50,000 tons a year of byproduct output of sulphur. With these accomplishments behind him, Knight put together the Barvue bond financing deal which proved so attractive that the issue sold up to 111 within a few hours of being offered.

Harry Knight has had a long and interesting career in mining. In the early days he arranged financing for the zinc prospect, Golden Manitou. Next year when Barvue reaches production in April, zinc production of these two companies is expected to be second only to Consolidated Smelters. President of the new B. C. base metal producer, Yale Lead & Zinc Mines, Knight is also president of Norlartic Gold Mines and a director of Chesterville Mines.

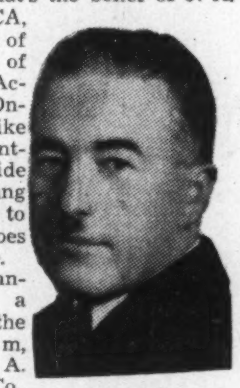
In the industrial field, Knight demonstrated his ability in development of International Metal Industries. He organized this company as Clear Vision Pump Co. in the "twenties," sold the controlling interest last January to two Americans (one was Guy Gabrielson, chairman, National Republican Committee) for a sum in excess of $1.5 millions. He is an original director of Toronto Iron Works and its subsidiary, Trenton Bridge Co.

In his early sixties, Knight enjoys a quiet family life and has two children: H. W. Knight Jr. and Mrs. George Gooderham. He enjoys a game of golf, is interested in racing, belongs to the National Club, Granite Club, York Downs and Seignory Club.

* * *

Now Matured

Accountancy in Canada has now matured to professional status and forms an integral part of our economic life. That's the belief of J. A. Wilson, FCA, new president of the Institute of Chartered Accountants in Ontario, and like other accountants of wide view, he's going to do his best to see that it goes on from there.



MR. WILSON

John Alexander Wilson, a partner in the Toronto firm, George A. Touche & Co., feels that there are three areas in which the Institute, in its national and regional bodies, can help Canada stay economically and politically healthy; by keeping watch on the equity of taxation techniques, by scrutinizing public accounting procedures and, perhaps most important of all, by safeguarding the ethics of the profession itself, and supervising the training of new entries.

Wilson is a native of Peterborough, where he attended collegiate. After obtaining his senior matriculation, he joined George A. Touche & Co. as a student, received his CA degree in 1933. He became a junior partner in 1943.

He was elected to the executive of the Institute of Chartered Accountants in Ontario in 1946 as a member of council, and became a Fellow the same year. In 1948 he served as treasurer and became vice-president in 1949. Today, in addition to being head of the Ontario body, he is a member of the council of the national association—the Canadian Institute of Chartered Accountants. He is also a governor of the Canadian Tax Foundation, and treasurer of the Toronto Board of Trade Club.

Now 43, Wilson is married to the former Gertrude Norman of Toronto, has two daughters and a son. He's a keen curler in season (Granite Club) and plays golf at Lambton. In summer he likes to travel; frequently includes professional conferences on his holiday itinerary.

What Others Are Saying

Editorial of the Week

Our Safer Economy

Vancouver Province

We are no longer, as we once were, primarily an exporter of unmanufactured resources and agricultural products. We are becoming more and more an industrial nation. Like any good investor, we are diversifying our investments. We are growing up economically.

There was a time, within a generation or so, when wheat constituted Canada's great cash crop. Vancouver merchants watched crop prospects on the prairies with unconcealed interest, because a good crop meant a lot of prairie visitors and free spending, while a poor crop meant fewer prairie people and economy.

Canada has now passed the point where the difference between a good crop and a bad crop means the difference between good business and bad in the country. We have a lot of eggs in our industrial baskets, now, and if one gets broken we can live on the others.

The change is all to the good. As our economy becomes more diversified, it becomes, of course, less vulnerable, and thus we achieve a safer position in a dangerous world.

Other People's Views

HEAVY TAXATION makes certain prices almost meaningless, complains the **Saint John Times-Globe.** "To conceal taxation inside prices may be necessary at times, but it is grossly misleading in this day and age to suggest that any price is the price fixed by the maker or seller—when as much as half or two thirds of the price be taxation."

A DANGEROUS ACT is the description of the last minute Ottawa legislation to bar interprovincial trade in margarine, by the **Moose Jaw Times-Herald.** "It is tearing down a fundamental provision of the British North America Act. The effect will be to give the green light to provinces to erect barriers in restraint of trade as between provinces."

WHY DO MOTORISTS no longer stop to assist when they come to a wreck or a breakdown on the highway? Answers the **Windsor Star:** "It is a tragic commentary on life today that motorists do not trust others. They would like to stop and help, if they had some assurance the help was needed. But, when they fear a plot to rob them, they cannot be blamed for getting along, and fast."

CANADA would be better off if we had a few more eccentrics and a few less unthinking conformers, remarks the **Peterborough Examiner,** apropos of the passing of a Toronto businessman who always appeared in top hat and Prince Albert. "People who come to settle in our country often remark on what a well-behaved, quiet, orderly and biddable people we are. These qualities are virtues, of course, but they can be carried too far. Fred Mallison was a living proof that a man does not have to be exactly like his neighbors. He was a sign that in order to be a success in business it is not necessary to conform in every detail to the pattern of the average businessman."

MR. ABBOTT may be sacrificed in the next cabinet shuffle, fears the **Calgary Herald.** "Mr. Abbott may be driven out of office because of his insistence on a substantial budget surplus and a tightening-up of the money supply. Both these aspects have been attacked: the Conservatives, who should know better, have argued that a surplus is unnecessary (though they must know in their hearts that a genuine budget surplus is an excellent hedge against inflation), and many people have protested the rise in interest rates, which has proven uncomfortable over a wide area.

"It seems to us, however, that the main faults of the government's financial policies—particularly its insistence on distributing public largesse in staggering amounts—lie outside Mr. Abbott's sphere; all he does is produce the money for the other ministers to throw around. We should be sorry to see a minister who, on the whole, has approached his job with marked ability, thrown to the wolves for the protection of other, and less worthy, office-holders."

The Financial Post

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A weekly newspaper reporting and interpreting events for executives in business, the professions and public administration.

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Montreal: Paul Deacon, Gordon Minnes, Dominion Square Bldg. UNiversity 6-9841.

Advertising Manager—Austin A. Weaver.

Advertising Production—Edith McEachern, Evelyn Carroll.

Circulation and Promotion manager—Melville M. Greig.

Montreal: Murray R. Chipman, eastern manager.

Subscription Terms: Single copies, 15c. Yearly: In Canada and British Countries (except Australia), $6 (two years $11); Australia, U.S.A., Mexico, Central and South America, France, Spain, $7 (two years $13); other countries $8 (two years $15).

Advertising Rates: Single insertion $5.60 per inch. Contract terms upon request.

Authorized as second-class mail, Post Office Department, Ottawa

Main articles indexed annually by The Financial Post and in The Canadian Index of The Canadian Library Association, published 10 times yearly and cumulative annually.

Other Publications and Services of The Financial Post

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DIRECTORY OF DIRECTORS, September, $10.

Printed and Published by
MACLEAN-HUNTER
Publishing Company Limited
481 University Avenue, Toronto 2.
Founded in 1887 by John Bayne Maclean

HORACE T. HUNTER
President

FLOYD S. CHALMERS, Executive Vice-President — THOMAS H. HOWSE, Vice-President and Comptroller

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OTHER SERVICES: Canadian Press Clipping Service, Commercial Printing Division, National List of Advertisers.

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From Side-Wheel Steamers to Latest in Diesel Locos

How $2 Million Goes Into CLC Face Lifting

By JAMES H. JOYCE

Engines for sidewheel lake steamers . . . the largest locomotives in the British Empire in their day . . . the world's first diesel-electric locomotive . . . munitions of war . . . Canadian Locomotive Co. has produced them all and much more besides.

In its 101 years the company has had many changes of ownership, a succession of names.

This week came the beginning of a new and bigger era.

From plant reorganization a year ago and a $1 million expansion since that has swept the steam locomotive right off the production schedule emerges the first of a new line of diesel locomotives to be produced in Canada.

The expansion is not yet complete. Another $1 million and more is being poured in.

Behind all this activity was the acquisition last year of controlling interest in Canadian Locomotive Co. by Fairbanks-Morse & Co. of Chicago. Under the guidance of its new president, Robert H. Morse, Jr.—who commutes frequently between Kingston and F-M headquarters in Chicago—a re-invigorated C.L.C. is entering the diesel-electric field as a major producer with the Fairbanks-Morse opposed-piston diesel engine.

Since he took over in June, 1950, Mr. Morse has made a lot of changes.

Joseph J. Jarrell, who rose from apprentice to vice-president during 45 years of interrupted service with C.L.C., became vice-president of manufacturing.

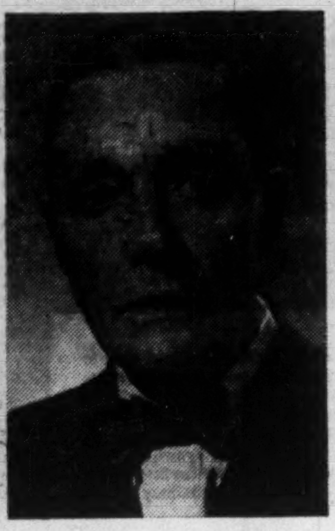
George A. Mueller was appointed vice-president in charge of sales in November, 1950. Previously he was—as assistant to the president—in charge of sales of a large U. S. diesel manufacturing firm.

F. R. E. (Fred) Dane, formerly C.L.C. comptroller, was appointed secretary-treasurer in July, 1950, and a vice-president in January, 1951.

J. F. (Jack) Weiffenbach, appointed works manager in April, 1951, had been with Fairbanks-Morse in Chicago since 1946. For 12 years prior to that he had been with the electro-motive division of General Motors.

G. H. (Tom) Lloyd was made sales manager for mining and process equipment. He was formerly sales engineer for this equipment.

ROBERT H. MORSE JR.
president


JOSEPH J. JARRELL
vice-president—mfg.

GEORGE A. MUELLER
vice-president—sales

F. R. E. DANE
vice-president

Expanding Capacity

In the first six months of 1951 C.L.C. has spent nearly $500,000 on conversion of existing plant facilities and acquisition of new machinery. Thus investment in plant and equipment is proceeding at an accelerated pace over 1950 when the full year's outlay was only slightly more than $500,000.

It is expected that by the end of this year the plant's capacity for diesel electric locomotive production will be well above its former capacity of 16 steam locomotives a month, says Mr. Morse.

The expenditures for the first six months of 1951 cover mainly a wide variety of fabricating and machining equipment to be used in the manufacture of the Fairbanks-Morse opposed-piston diesel engine. Its production is scheduled to begin before the end of this year.

By the time the current expansion program is completed the company will have spent well over $1 million on machinery for production of the opposed-piston engine alone.

Increased facilities are being provided for production of diesel switchers and industrial locomotives. Present capacity for manufacturing C.L.C.-built industrial machinery—widely used in mining, metallurgical and other fields—is being expanded, and new lines will be added to this group.

The C.L.C. expansion program is also providing facilities for the manufacture of Fairbanks-Morse home water systems in Kingston. Widely used on farms and rural homes in the United States, these systems comprise a pump, water tank, motor and control equipment. First shipments have already been made to Edmonton, Vancouver and Montreal.

Packaged Units

The first Kingston-built Consolidation diesel locomotive, already completed, is the Canadian prototype of the Consolidation or "C" line, in which standard installations — called "packaged units" — can be combined to produce 78 different locomotives in one standard car body.

This unitized construction means that Consolidation Locomotives—ranging from 1,600 to 9,600 hp., and engineered for transfer, freight or passenger service—can be built under a subassembly system that reduces construction costs and simplifies maintenance on the completed locomotive.

German Discovery

Heart of the Consolidation locomotive is the Fairbanks-Morse opposed-piston diesel engine.

Although the present high-speed engine was developed in the 1930s by F-M engineers, the concept was not new: the first opposed-piston had been built by two Germans in 1892, one a member of the famous Junkers family.

In effect, the opposed-piston design actually consists of two engines, one inverted above the other. This arrangement occupies floor space equivalent to an engine half its power and with comparatively little added height.

Opposed-piston design completely eliminates cylinder heads, liner joints, valves, rocker arms and push rods. The "O-P" engine has 40% fewer moving parts than conventional diesels. Other benefits are stated as: greatly reduced weight; lower fuel consumption per horsepower produced; easier, faster, less costly maintenance; and vastly improved reliability.

In 1939 the "O-P" engine was successfully initiated into railway service in the United States with the Southern Railway System. Later in that year, the U. S. Navy pre-empted F-Ms entire output of these engines for use in submarines.

Working with C.L.C. in the new diesel project is Canadian Westinghouse Co. Ltd. From its Hamilton plant Westinghouse is supplying the generators, motors and intricate controls that provide power for the latest addition to the diesel era. A new manufacturing building, to be completed this fall, as part of the Westinghouse $10 million expansion will provide additional space for the production of these motors and electrical equipment.

Wide Machinery Range

While the new Consolidation diesel electric locomotive is the aristocrat of C.L.C. production, the company also builds a wide range of machinery for use in mining and industry. These include vibrating screens, classifiers, evaporators, kilns, filters, driers and coolers, made under agreements with Productive Equipment Corp. of Chicago, Colorado Iron Works of Denver and General American Transportation Corp.

Perhaps the largest and most impressive looking of these industrial installations are the Conkey evaporators now being built for Marathon Paper Co., Marathon, Ont., and Saint John Sulphite Ltd., Fairville, N.B.

Two large warm air drum driers are now being built for Toronto Elevators Ltd. Another cylindrical warm air drier is on order by North American Cyanamid Ltd., Niagara Falls, Ont.

C.L.C. has built a high capacity kiln, cylindrical in shape, 8 ft. in diameter and 120 ft. long, for the Aluminum Co. of Canada's Arvida plant. A special experimental rotary leaf pressure filter, built to order for Aluminum Co. of Canada, is successfully reclaiming aluminum which would otherwise be lost in the processing of that metal. Four larger types have been ordered for the Jamaica development of the Aluminum Co. of Canada.

A sewage filter, built in Kingston, is now serving the Township of Scarboro near Toronto.

Among the most versatile of the industrial products are vibrating screens which have such diverse application as food processing and sewage disposal.

Wire bar casting machines used for casting copper in flat rectangular bars convenient for handling in the making of wire are built by C.L.C.

Probably best known of all C.L.C. products is the Akins classifier, a machine used in the separation of such minerals as gold, silver and copper from the ores in which they are found.

With the conversion from steam to diesel electric within the past year at C.L.C. the comment of one old-timer—"It's like converting a blacksmith's into a watchmaking shop"—is not without a grain of truth. The building of steam locomotives was an unavoidably grimy operation involving molten metals, soot, smoke and ashes. The building of the new Fairbanks-Morse Consolidation diesel is a "clean dirt" operation, which leaves as its residue stray drops of splatter from a welder's arc and steel-bright shavings from a machine cylinder block.

In the march of conversion the foundries have disappeared. Only a few smaller furnaces remain, used mostly in miscellaneous jobwork and industrial production. One new type has been installed — a "stress-relief" furnace — in which the newly welded diesel engine block loses any stress it may have acquired during welding, but the fiery, smoky furnaces that produced molten metal for the big castings and the pouring of red hot liquid steel into the molds—are all things of the past at C.L.C.

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IT ALL BEGAN WITH A

GOLDEN SPIKE

On that November day in 1885 when Donald Smith drove a golden spike at Craigellachie . . . could an ear have caught the mounting onrush of a streamlined diesel a few days out of Halifax? Could George Stephen or Richard Angus have looked up and seen the sun glint bright on the wings of a transport plane over Winnipeg . . . or the smoke wisps from grain boats plying the Great Lakes? Did anyone there hear the heavy thunder of trucks rolling out at night from the Ontario industrial plains . . . or the clamour of the vast freight yards at Montreal?

Perhaps they did . . . for today all these are true, characterizing an almost unbelievable expansion in the distributive agencies of our Canadian economy . . . 40,000 miles of rails . . . 300 licensed airlines . . . 4,000 miles of waterways . . . a half-million miles of highways . . . joined by a Golden Spike sixty-six years ago when Canada was young.

*One of a series of tributes to Canadian enterprise.

Throughout the last half century, The Canadian Fairbanks-Morse Company Limited has made important contributions to the development of transportation in Canada. F-M Diesel Engines power tugs, ferries and freighters on our ocean and inland waterways . . . industrial supplies and machinery with the well-known F-M trademark are important cogs in the production of new giant air transports. Automotive equipment supplied by us services motor vehicles on the highways from the Atlantic to the Pacific.

Fairbanks-Morse Scales, Standpipes, Materials Handling Equipment, Pumps and Steam Goods give efficient service throughout our great railway systems—and in 1951 the famous Fairbanks-Morse Diesel Locomotive made its first appearance on Canadian lines, the forerunner of Fairbanks-Morse Locomotive production at Kingston, Ontario.

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Fifteen Branches Across Canada

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BALLOT BOX
for patriotic Canadians

TODAY, our first duty as Canadians is to back up our country's efforts to meet all threats to our freedom.

To do this, we must be strong not only in arms *but also in our economy*. And to keep our economy strong, we must do everything possible to *fight rising prices!*

How can you help fight this inflation?

One important way: *by saving money!* Nowadays, every dollar you spend for things you don't need helps to boost prices. But the money you save — in bank deposits, savings bonds or life insurance — "votes" against the menace of inflation.

Remember too — savings help *you*. And your *life insurance savings* help protect your family.

So . . . to support Canada's defense efforts . . . to help yourself . . . save money every way you can right now!

THE LIFE INSURANCE COMPANIES IN CANADA
and their Representatives

L-251B

Can. P. & P. Investments Arrears Paid

MONTREAL (Staff) — Holders of Canadian Power & Paper Investments preferred shares and voting trust certificates were notified this week that the company has paid all the interest arrears on its outstanding 5% 30-year debentures due 1958. Under the provisions of the 1934 reorganization plan, dividends on the preferred shares become cumulative from July 31, 1951, at the rate of $5 per share per annum.

At the end of the last fiscal year (July 31, 1950) there were $428,700 5% debentures due 1958 outstanding; 50,000 no-par-value preferred shares and 94,000 no-par-value common. Total income in the last fiscal year was $120,737. After all charges, including a $90,000 charge for investment depreciation which was added to an investment reserve account, net profit was $669. Major holdings are in Power Corp. of Canada and Bathurst Power and Paper Co.

The letter to shareholders states that $120,000 was available in cash to meet next year's debenture interest, required by the company's bylaws. Such dividends as may be payable on the preferred will be paid in quarterly installments on the 15th days of February, May, August and November in each year, it is stated.

In January this year, payments on arrears covering two years were made, leaving just five payments due Aug. 1, 1936, to Aug. 1, 1938, inclusive, still to be paid.

Holders of voting trust certificates are now entitled to exchange their certificates for fully paid no-par-value common shares. They should be forwarded for exchange to Montreal Trust Co., 511 Place d'Armes, Montreal, accompanied by a letter of transmittal, company states.

AMERICAN CYANAMID CO. has issued an additional 16,531 common shares upon conversion of 642 cumulative preferred Series A 3½% and 10,901 Series B 3½% shares; and 117 common shares have been issued upon consolidation of 11,700/100ths scrip. Issued capital is now 3,931,197 common shares, 26,220 Series A preferred shares and 293,000 Series B preferred shares.

ANGLO-CANADIAN OIL has issued 15,485 shares as a result of conversions by holders of Series A debentures. Issued capital is 2,380,485 shares, leaving 2,619,515 shares in the treasury.

Industrial Growth

New plants and expansion projects to boost the nation's bulk output, product diversity, jobs.

Certain types of modern factory space for rent continue to be in short supply, President Ashton B. Cooper of Toronto Industrial Commission says in the commission's annual report.

New companies have often had to use the alternatives of building on their own account or having investors erect premises to be rented on long term leases, he says. "Additional factory sites with full municipal and railway services will have to be developed to keep up with the pace at which sites have been purchased in recent years."

There has been evidence of increased interest by British manufacturers, says Mr. Cooper. Of the 470 active files which the Commission has, 58% are U. S. firms, 31% British, 8% Canadian, 3% European.

New manufacturing operations set up in co-operation with the Commission in 1950 number 27. Firms bought a record amount of acreage for new and expanding plants—500 acres, compared with a postwar average of about 250 acres a year. Of this acreage, about 65% was for expanding factories of established companies.

Following are some Toronto area developments reported this month by the Commission:

Rotax

Rotax Canada Ltd., subsidiary of Joseph Lucas Ltd., Birmingham, England, has announced details of its plant for making and calibrating fuel systems for gas turbine aircraft engines. (The Financial Post, Mar. 17). In Scarborough Township outside Toronto. It will cover 104,000 sq. ft. floor space, employ over 600 persons. Plant will be operated by a company known as Lucas-Rotax Ltd.

* * *

Campbell Soup

Campbell Soup Co. is building a $300,000 plant addition, to alleviate overcrowding and provide additional car loading facilities. The addition will contain 28,000 sq. ft. area.

* * *

Penn Controls

Penn Controls Ltd. has bought a two-acre site where it will begin immediately to build a $160,000 factory and head office. Initial plant space will be 20,000 sq. ft., with progressive expansion to 100,000 sq. ft. planned. Plant is expected to begin making automatic controls for heating, refrigeration, pumps and air compressors in November. The firm is a subsidiary of Penn Electric Switch Co., Goshen, Ind. It began Canadian operations six years ago.

* * *

Reichhold Chemicals

Reichhold Chemicals (Canada) Ltd. will spend over $100,000 in adding to its Toronto plant. Production capacity will be doubled. Company makes synthetic resins for the paint, paper and plywood industries.

* * *

Lambert Pharmacal

Lambert Pharmacal Co. (Canada) has started a 40,000 sq. ft. plant for making antiseptics, tooth paste, tooth powder and shaving cream. It will employ 125 when it opens at the end of the year. Pro-Phy-Lac-Tic Brush Co. (Canada), an associate company, will share the premises.

* * *

Kendall Bronze

Kendall Bronze & Iron Works Ltd. has started a plant addition to increase production efficiency, allow for introduction of several new lines. Company fabricates iron, bronze, stainless steel and aluminum and other architectural products.

* * *

Other industrial growth developments:

R. D. Werner

R. D. Werner Co., aluminum extrusions, Oshawa, Ont., has plant addition project to increase space by 24,000 ft. at about $150,000 cost. To be finished about November, will increase employment from 130 to 200 persons.

Federal Wire

Federal Wire & Cable Co. expects to complete for fourth quarter this year a 60,000 sq. ft. addition to its Guelph, Ont., plant. Normal employment now 420, expected to increase to about 450 when addition in operation.

Frankel Corp.

Frankel Corp., babbit, type metal, other metals, has started construction of new plant building on same site as present Toronto plant. New plant, to augment production of present one, will cost about $200,000 with equipment, is one-story, 200 ft. by 60 ft. Expected to be finished by year end.

* * *

Copeland-Chatterson

Copeland-Chatterson Ltd., loose leaf systems, office forms, expects to have 14,000 sq. ft. addition to its plant at Brampton, Ont., completed for September or October. Plant will cost $45,000, equipment $20,000, making about 12% increase in investment in plant and equipment. Employment will be increased. This is third addition since war.

* * *

A. C. Horn

A. C. Horn Co. has completed 11,000 sq. ft. office and warehouse adjacent to its Toronto plant to handle greater demand for its building maintenance and construction materials products. Company is subsidiary of Sun Chemical Corp., Long Island City, N. Y.

Atlas Steels Earns $1.89 In First Half

Net earnings of Atlas Steels Ltd., Welland, for the first six months of 1951 amounted to $1,573,300, or equivalent to $1.89 a share as compared with $453,368, or 54c a share in same period of last year.

Plant operations were carried on at about 80% of capacity during the period. Shortages of scrap and alloys, particularly nickel, molybdenum, tungsten and cobalt, are still a restricting factor and present indications are that steel scrap will continue to be in short supply for a considerable time, it is said.

Business conditions appear to be favorable for the immediate future and the company consider the backlog of orders normal under existing conditions. Production will be curtailed during July and August due to annual two-week shutdown for plant vacations.

How Improve Airline Traveler's Lot?

The Question: What further improvements would you suggest for airline travel, including ground services?

Canada's airlines while they're in the air get good marks for most of their operations from nearly all respondents to this week's Question by The Financial Post. But in ground services it's another story.

Most vexing aspect: the time it takes to get from downtown to the airport. Why not a helicopter taxi service? two readers ask.

Cabin noise and ventilation; baggage handling; present booking arrangements; restroom facilities; non-integration of schedules; more precise on delays—these are other points at issue.

A. B. BELL-IRVING, Deputy Commandant, British Columbia Corps of Commissionaires, Vancouver.

I think women passengers want: clean toilet rooms in airport buildings; a portable carpet or other mud, snow, wetproof route from buildings to aircraft and auto to aircraft; baggage handling arrangements including weighing. Men passengers want: less noise in flight, air to ground arrival time service for information clerks and clean toilet rooms.

* * *

EVERARD CLARKE, Director, Okanagan Telephone Co., and general manager, Shuswap Okanagan Dairy Industries Co-op Association, Vernon, B.C.

Canadian airlines now have a record outstanding in the world for safety and courtesy. I suggest they achieve greater recognition within Canada and also outside world. The general public should be more familiar with figures, miles traveled, passengers' safety, transported freight and mail tonnage carried. Some aircraft require improved soundproofing. Canada has developed the first jet-engined transport and Canadian airlines should retain world leadership through earliest possible general use of this improved equipment.

* * *

W. R. CORNER, Comptroller, Manitoba Power Commission, Winnipeg.

Undoubtedly we still have not reached the ultimate in passenger plane design. We must continually strive for greater speed, less vibration and noise, greater stability of flight. In spite of Canada's enviable airline safety record we should attempt to perfect radio communications equipment which will pinpoint a plane crash and save precious time in bringing aid to the victims. Ground services are good and adequate. Getting to the airport however, generally involves a long and tedious limousine ride; should we not make greater use of helicopter service?

* * *

GEORGE A. KEATES, vice-president, Manitoba Cartage Co., Winnipeg.

I have used Trans-Canada Air Lines for approximately 12 years and consider the service in the air most satisfactory with the accent on safety. I believe the method of handling reservations should be overhauled and improved with a view to eliminating keeping passengers in doubt as to their accommodation. When flights are delayed more accurate information should be made available to people meeting passengers as well as to passengers themselves. Reduction of noise in the North Star ships is highly desirable if air travel is to be expanded.

* * *

H. E. KENT, President, Bromo Seltzer Ltd., Toronto.

I would like improved air conditioning facilities while in flight, also would like to be able to carry my luggage on and off the plane for two reasons: 1. It would facilitate matters at customs and at local airports instead of waiting for them to go through the baggage handlers; 2. Reckless handling of the baggage has caused considerable damage.

* * *

The Rev. ABBE ARTHUR MAHEUX, Laval University, Quebec.

An agreement between the various companies on schedules so that the passengers would lose less time and money for transfers is the first essential. A single complete timetable would be useful. Second: more airports to prevent people from traveling long distances by train, motor car or bus to board plane. Third: more facilities for baggage. Fourth: polyglot or at least bilingual stewards, agents and others. Passengers should not be obliged to speak English in order to find their direction and information. Fifth: Some sweet radio music in the airport station to soften the nervousness while waiting for planes delayed in arriving or leaving.

* * *

MORTON MILLER, Director, Searle Grain Co., Winnipeg.

Airline service is courteous and efficient and in general excellent, but I would suggest research on the possibility of faster communication between the centre of cities and airfields. Greater variety of meals on planes and arrangements to unload passengers' baggage before mail and express to shorten usual annoying long wait for baggage on arrival would be welcome.

N. P. PETERSON, President, Canadian Acme Screw & Gear, Ltd., Toronto.

I have nothing but commendatory remarks for the flying operations of T.C.A. in the air. All passengers I have talked to feel safe and are content that our pilots use more than ordinary caution and have a good safety record. With respect to ground work, the arrangements for selling tickets and obtaining tickets, I have the feeling, and it is shared by others with whom I have talked, that we have the poorest system of any airline with which we are acquainted. For many months I have asked officials why one cannot buy a ticket or seat the same as you buy a pullman reservation and as yet I have not any good explanation.

At one time flights returning from Chicago had all passengers deplane at Windsor and have their baggage examined there, they also took off all air express just to check or count the packages and then loaded them again for customs' clearance at Toronto. The manager at the Windsor Airport asked me to put in a suggestion card. I now believe air express and air parcel post come through in bond to destination. If passengers' baggage is checked why cannot such baggage be examined on arrival at the final destination or at least in Toronto which is usually the end of the flight?

The present system of assigning space was developed during a period when there were authentic and very necessary priorities but as we are now put on a basis of first-come-first-served why cannot we buy our tickets and space as suggested and anyone who does not show up should not be able to get a rebate or go without extra charge on a later flight.

* * *

N. S. ROBERTSON, K.C., President, North American Life Assurance Co., Toronto.

While present facilities offered by air travel companies are generally excellent I suggest the following points be considered. Reservation of space from diagram to avoid crowding when boarding plane. Satisfactory refreshment facilities at all airports. More definite information re non-departure of plane and closer co-operation with railways in providing rail accommodation in emergencies. Placing of windows in more advantageous positions for sightseeing. Acceptance of telegrams for dispatch during flight.

* * *

L. J. ROBICHAUD, Director, Chamber of Commerce, St. Johns, Que.

I suggest the following: Improvement in timing in an effort to reduce loss of time at junction point; provision of some sort of shelter at airport for disembarkation during rainstorm; better ventilation of planes on arrival at airports during waiting period.

* * *

O. B. ROGER, Vice-President and treasurer, Shell Oil Co., Toronto.

Once aboard an aircraft airline travel is all that could be asked. Personnel are courteous, accommodation comfortable and if the weather permits enjoyment, meals excellent. There is some room, however, for improvement in ground services, namely quick access to baggage and increased seating capacity at airport waiting rooms. These latter are not general criticisms but apply to some areas. I fully realize the difficulties encountered by such a fast-growing industry in maintaining all public services at the same level of excellence. I suggest investigating possibilities of greater flexibility in transportation from airport to destination.

* * *

D. B. ROGERS, Editor, Leader-Post, Regina.

When it is necessary to cancel flights, passengers are upset if they are not promptly informed and are not accommodated on the next available departure. A greater effort to overcome this uncertainty in flying would be most acceptable. Most passengers would appreciate periodic information in the air about points of interest to be seen below and particular cloud formations encountered. Slot machine insurance coverage is a service which air travelers appreciate.

* * *

LANG SANDS, Publisher, Fraser Valley Record, Mission City, B.C.

Short of a helicopter taxi lift from city centres to airports and further insulation of cabins against motor sound I cannot imagine what more the airlines can do to facilitate the comfort and convenience of the traveling public. In a comparatively short experience period they have developed remarkably efficient systems and facilities both for in-the-air comfort and terminal control of passengers. I have only the highest praise to offer Trans-Canada Air Lines in this country and across the Atlantic.

* * *

D. J. WINTER, central regional manager, British American Oil Co. Ltd., Toronto.

On a flight from Winnipeg to Toronto, to complete an urgent appointment, we were informed that we were being taken through to Montreal due to weather conditions. We waited in the T.C.A. office at the airport endeavoring to get some reasonable answer as to when it might be possible to return to Toronto, otherwise, we wanted to make immediate train arrangements. We could get no authentic information of any kind for three quarters of an hour, until several of my fellow passengers became very much annoyed, including myself. Finally, after attending to all other passengers, who might be considered new fares, the clerks behind the counter started to handle the carry-over passengers in a most lackadaisical way, finally giving us a coupon for breakfast along with the comment that definite flight information would be available in about a half hour.

Where passengers are carried over, surely they merit just as much consideration as new passengers leaving an airport and, in many cases, the matter is even more urgent for the carry-over people, because of flying to either save time or to keep a definite appointment. Several of our officials have had similar experiences due to either lack of information or poor information from the personnel on the job.

Baggage is another sore point with me and not only is the delay on arrival rather lengthy, but their methods of scratching and marking up good luggage is without parallel. Perhaps we in British America are somewhat spoiled because of our own aircraft, and the service which we enjoy, however, I know of several friends who feel the same as I about the lack of authentic information or interest as above outlined.

TUNGSTEN CORP. OF CANADA expects production of tungsten from the Outpost Islands tungsten mine will start during the first week in August. Procurement troubles on many items made attainment of the original objective of production in July difficult. Deliveries are stated to have been the only factor in the delay in reaching production.

N. T. RUEBOTTOM

has been appointed vice-president, W. C. Hardesty Co. of Canada Ltd.

Bonds Offered Of London Co.

A new issue of $500,000 sinking fund debentures of Imperialle Fuels Ltd., London, Ont., was offered by the company at par. The issue, dated March 15, 1951, consists of $250,000 5% debentures due March 15, 1961, and $250,000 debentures due March 15, 1971.

From incorporation on July 3, 1941, until the summer of 1950, Imperialle Fuels was concerned chiefly with the wholesale and retail distribution of general fuels, largely coal. Due to the increasing demand for fuel oil, in the summer of 1950 the company decided upon an extensive expansion program whereby it would market fuel oil in Western Ontario as "Sterling Fuels."

Up to this spring the company had completed the construction of a marine terminal and bulk storage plant at Port Stanley, Ont., had installed the necessary pump houses, pipeline and other equipment for unloading fuel oil from ships. Distribution centres and bulk storage plants have been installed at Strathroy and London and were rapidly nearing completion at Tillsonburg and Simcoe.

Proceeds of the issue were to be used in the reduction of borrowing incurred in expansion program and for general corporate purposes.

Sales for the 9½ years ending Dec. 31, 1950, averaged $1,385,987 a year; operating profit, before income taxes but after depreciation, averaged $21,736 and net profit averaged $19,064.

Current assets totaled $574,654; fixed assets $418,876; current liabilities $532,986 and deferred liabilities $229,548 at Dec. 31, 1950.

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BEGINNING A NEW CHAPTER IN THE STORY OF CANADIAN RAIL TRANSPORTATION

This week **Canadian Locomotive Company introduces**

the Consolidation diesel

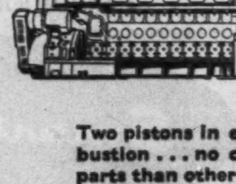
New standard by which locomotive performance will be judged!

KINGSTON DIESEL DAY—AUGUST 1st, 1951 ... the eyes of the Canadian railroading world are focussed today on Kingston, Ontario, and the official dedication of the first Canadian-built Consolidation Diesel Locomotive. Industrial and business leaders join with local citizens in the observance of "Kingston Diesel Day"—an event of special significance for Canada's railroads and for Kingston, the "Home of the Diesel Locomotive".

It was in the shops of the Canadian Locomotive Company that C.N.R. No. 9000—North America's first diesel-electric road locomotive—was constructed in 1928. Today, Canada's pioneer builders of fine railway motive power are proud to introduce an equally important pace-setter.

New Canadian-built Consolidation Diesels will soon be available in a range of types, sizes and power ratings for fast passenger, road freight, and yard switching service. Wherever they are employed, look for a new high in diesel economy and efficiency.

Truly, Kingston Diesel Day marks the dawn of a new era for the Canadian Locomotive Company and its employees, and for every Canadian industry in which rail transportation plays a vital part.



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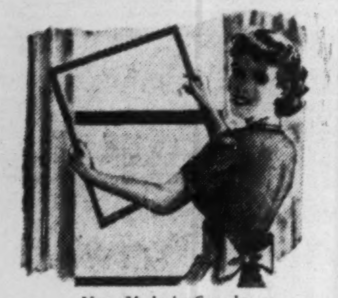

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Light Deodorizer

New polished stainless steel light fixture for kitchens, bathrooms, cupboards, etc. requires no chemicals, wicks, yet deodorizes surrounding area, by means of ozone. Plugged into any 110 volt AC outlet, it will generate sufficient ozone to keep a 1,000 cu. ft. room fresh. Core of unit is lamp producing ultraviolet rays.

* * *

Materials Handling

Pallet roller weighing only 76 lb. is capable of handling 4,000 lb. With a high tensile steel alloy frame and 10 large diameter rolls and ball bearings at each end, roller is designed to discharge reefer cars with unit pallet loads.

* * *

Trimmers' Safety

Tree trimmers' poles, often liable to shock on contacting power lines, are now protected by a four-ft. section made of plastic material used as an insulator. These sections can be joined together or with regular aluminum or magnesium poles. Plastic section will not splinter or crack, is about one-third the weight of wooden poles.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

* * *

Hardens Steel

Steel hardening and toughening compound is activated carbon-chromium steel catalyst, simple to use in powder or paste form. Compound transforms in a few minutes carbon steels, from mild to tool steels, to hardness and serviceability of the much more costly high-speed alloy steels. When properly used, compound also toughens steel while it hardens, company claims.

* * *

Mystic Top

Latest toy to hit the Canadian and American market is Danish-invented plastic top claimed to puzzle adults as well as children. Top is made of two colors, with one color on a flat end with a short grooved stem, the other color on the rounded end. Top is spun on rounded surface and appears to change color as it actually ends its spinning turned over on the stem end.

* * *

Stamped as Required

Companies can now print unmarked cartons as they need them on the spot. New machine can print up to 2,000 cartons an hour at point of packaging. Capable of marking corrugated, fibre and wood cartons, machine can stamp one to four sides and top of cartons as they move down a conveyor belt to the rotating rubber die wheels.

* * *

Non-transferrable

New electrical tape is said to be non-transferable, its stickiness will not come off original surface, so that tape can be used many times. Holds to any dry surface, to itself and to insulation around copper wire, snugly and securely, company claims, has a dielectric strength of 8,000 volts, is waterproof, flameproof and resistant to abrasion, acids, etc. Packaged in 60-ft. roll in new metal container, product is ¾-in. wide.

* * *

Away With Fading

New colorless liquid provides an ultra-violet coating to be sprayed on glass, leather, metal and some fabrics to prevent fading and deterioration by the sun's rays. Said to be especially advantageous to store owners preventing fading of store window merchandise, liquid cannot be seen and does not hinder transparency of glass.

* * *

Roof Deck

For use on industrial buildings, corrugated roof deck comes in new wide cover dimensions saving handling and labor costs, company claims. Rib depth of the deck is the same thickness as a 2 by 4, giving maximum flexibility for architectural design; baked on rust-resistant paint can be used as primer coat or permanent finish, having high reflection qualities.

* * *

Dual Purposes

Accounting machine recently introduced to the Canadian market applies mass production methods to writing, distributing and totaling of repetitive accounting and statistical information through automatic sensing and printing of punched-hole plates. Serving accounting and addressing purposes together or each operation independently, machine can print up to seven lines simultaneously.

* * *

Good to Last Draw

Plastic holders for ordinary school crayons and industrial crayons for marking purposes prevents crayon from melting or breaking and push button operation enables it to be used up to the last inch. Industrial crayon supplied in the holder will write on plastic, metal, Cellophane, glass, etc., while school crayons are placed in holders of same color to render identification easy.

New Catalogues

Phil Wood Industries Ltd., Windsor, has issued a two-page bulletin describing and illustrating the new Wood Cam and Lever Hoist with two-way power.

General Bakeries Operations Higher

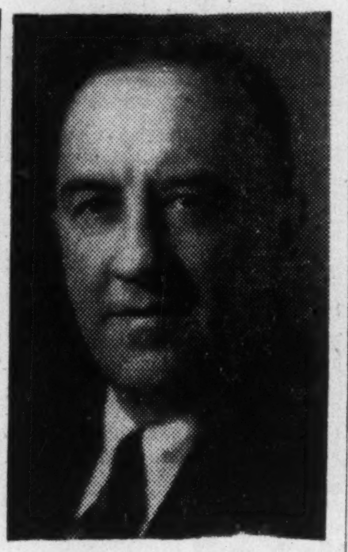
Current operations of General Bakeries Ltd. are highly satisfactory and in all directions are running well in advance of the previous year's results, President J. William Horsey told shareholders at the annual meeting last week. These trends are particularly encouraging in view of conditions experienced by the industry in general during the past few years, he added.

Reviewing the annual report, Mr. Horsey said that results for the year ending April 4, 1951, were very satisfactory. Sales were good, operating profits encouraging and the net after taxes was up 56% from the preceding year.

Directors felt it wise to write the goodwill down to $1 and accordingly charged $118,060 to surplus account. In addition incorporation expense was eliminated by charging $35,274 to surplus account.

J. M. R. Corbet of Toronto and H. M. Long, Montreal, were elected directors replacing W. K. Whiteford, Toronto, and J. M. MacDonald of Montreal.

At a directors' meeting following the annual meeting, Mr. Horsey was elected chairman of the board, S. R. Saxby, president and general manager and H. A. Armstrong of Vancouver, vice-president.



E. M. LITTLE

has been elected a director, Montreal Trust Co.

1.2 Million Bbl. Expansion To Cement Plant

MONTREAL (Staff) — Another substantial addition to the country's expanding cement manufacturing capacity has been announced. At its Belleville, Ont., plant, Canada Cement Co. states, installation of another kiln has been authorized, which will boost annual output from 2,600,000 bbl. to 3,800,000 bbl.

Plus other expansion programs currently under way, this raises the total productive capacity now being added in Canada to 5,200,000 bbl. annually, compared with total cement shipments of about 16,700,000 bbl. last year.

Canada Cement, with some four fifths of the total Canadian cement business, also has the largest slice of the expansion. At Havelock, N.B., a new 800,000-bbl. annual capacity plant is almost completed and is slated for full operation by September; at Exshaw, Alta., its 1,200,000-bbl. addition is well advanced and is expected to be in full operation by next spring; construction at Belleville is to start immediately, with the new unit to be in operation by May, 1952. Capital expenditures involved in this triple-barrelled program total over $17 millions and annual capacity will have been boosted from 14,000,000 bbl. to 17,200,000.

Other expansion programs under way across the country include a 700,000-bbl. annual capacity addition by British Columbia Cement Co.; a 700,000-bbl. expansion by St. Mary's Cement Co.; and a new 600,000-bbl. plant in Newfoundland. The Newfoundland plant is scheduled to get into production by the end of this month.

Late in 1950, construction of a new $12 million 1,250,000 bbl. annual capacity plant at Quebec City was understood to be under consideration, to be financed by European interests. No reports have since been forthcoming on this, however.

Shipments Rise Sharply

Canada's cement shipments have been rising sharply in recent years, from 8,368,000 bbl. in 1941 to 16,740,000 in 1950.

Currently, industry sources report, demand is still running at high levels. Shipments to customers for the first five months of the year totaled 6,588,000 bbl., against 6,193,000 bbl. in the same period of last year.

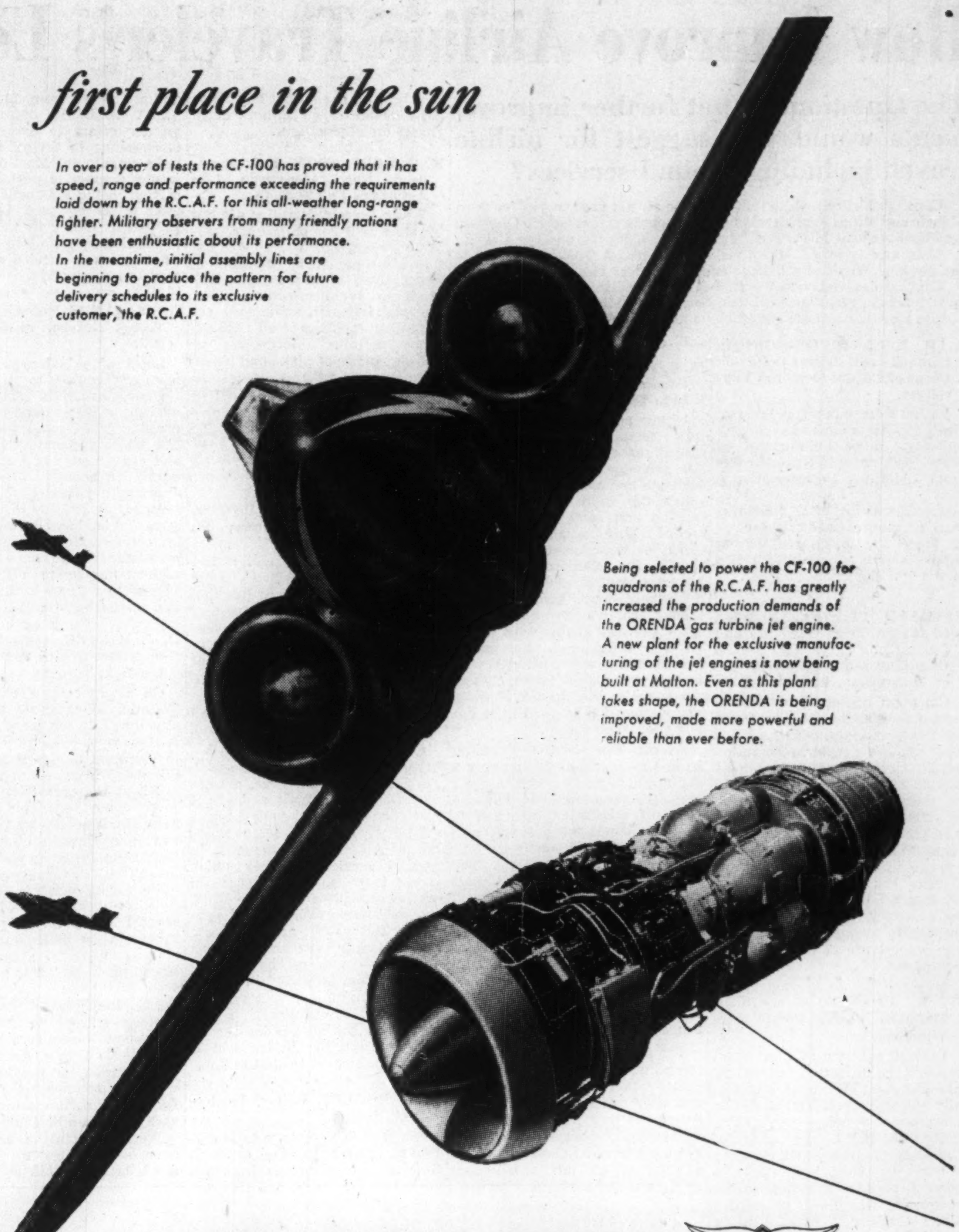
While it's thought there may be some drop in demand for cement for new housing later this year, any slack that develops in that field is expected to be taken up by defense construction.

LATONIA INVESTMENT TRUST CO., S.A., common shares, were called for trading on the Montreal Stock Exchange July 23. Listing cover 350,000 $10 par shares, with authority to add another 50,000 shares on official notice of issuance. Company is an investment holding company organized in Panama City in 1939. It took over assets and liabilities of Ommium Financier de Valeurs de Placement, an investment trust registered in Luxemburg. Transacts and carries on the business of a financial company and any other lawful business in any part of the world.

CELANESE CORP. OF AMERICA's 1,000,000 4½% cumulative convertible preferred shares were admitted to the official list of the Montreal Stock Exchange July 17.

AUMAQUE GOLD MINES July 18 option installment, comprising 200,000 shares at 25c a share, under agreement with Clair Agency Ltd., has been extended for three months, along with the subsequent installment.

GENERAL PETROLEUMS OF CANADA has received payments covering sale of 12,500 Class A shares to employees at $4 a share. There are now 412,500 Class A shares issued and outstanding.

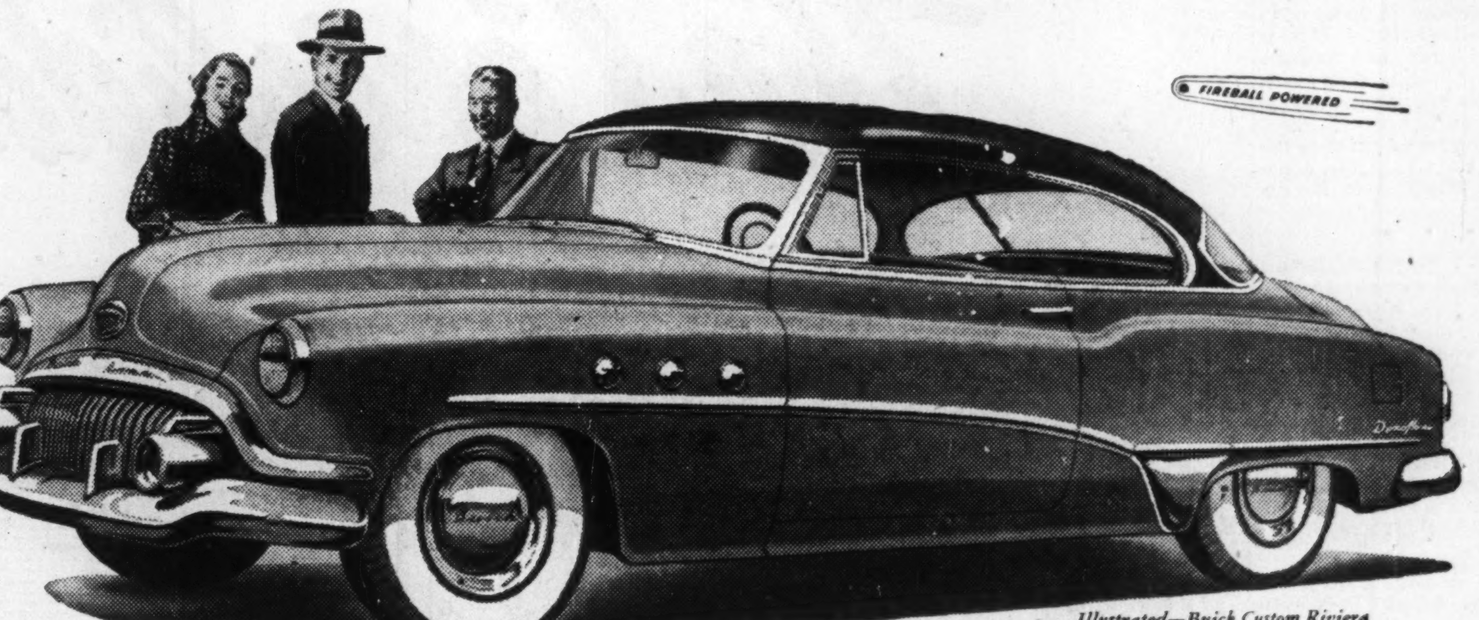


A.V. ROE CANADA LIMITED

MALTON, ONTARIO

AVRO CANADA

MEMBER OF THE HAWKER SIDDELEY GROUP



Illustrated—Buick Custom Riviera

Who said You can't Afford a Fine Car?

MANY's the man who has paid far more for a fine car than the price of this beauty—and got less than this gay and gallant traveller offers.

Sweeping proudly past you, it has a distinction that few cars can equal.

Stepping nimbly away from a stop light, it has the willing surge of power that the very exclusive combination of a Fireball engine and Dynaflow Drive* delivers.

It rides the road with majestic smoothness, and comes to a smooth and gentle halt, in response to the finest brakes that Buick engineers ever developed.

Inside, it has spacious room, from side to side and front to back and seat to roof—plus a softness of cushions and a richness of fabrics which the custom standards to which bespeak it is built. All you want in a fine car is here in abundance.

But don't let that fool you into deciding "it's too rich for me."

If you've looked into 1951 car prices generally, you'll discover this:

You can own a BUICK for little more than an ordinary car will cost—and for several hundred dollars less than the price tags usually found in "the fine-car field."

Why not look into this today?

A GENERAL MOTORS VALUE

"Smart Buy's Buick"

*Standard on ROADMASTER series, optional at extra cost on CUSTOM series. Equipment, accessories, trim and models are subject to change without notice.

WHEN BETTER AUTOMOBILES ARE BUILT BUICK WILL BUILD THEM

B-12518

SEE YOUR LOCAL BUICK DEALER

The Financial Post

Vol. XLV | Member of Audit Bureau of Circulations | Publication Office: Toronto, August 4, 1951 | Fifteen Cents an Issue, Six Dollars a Year | No. 31

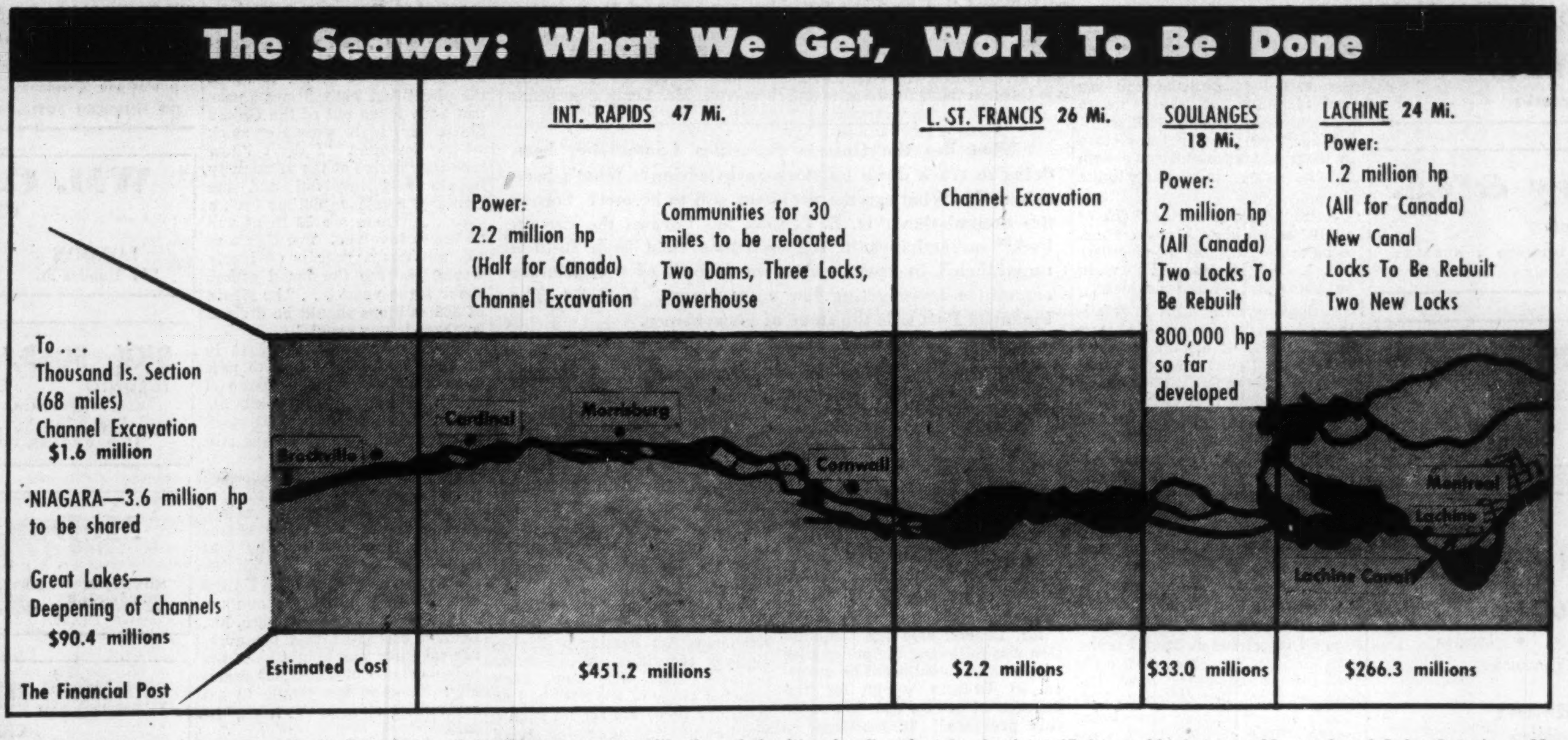
Sure! We Can Try It Alone on Seaway, But—

It'll Take 8 Years Minimum — And U. S. Lobby Can Still Do a Lot of Stalling

Take it easy on this all-Canadian Seaway business. We don't just plunge into it tomorrow. Take in the reins on visions of an ocean shipping boom for the Great Lakes, vast new blocks of power just over the horizon. We've far to go before we see even the beginnings of these.

Here are the hard, sobering facts of the difficult tightrope the Government has yet to negotiate before we can even start work on the Seaway; an outline of the immense engineering job it represents.

By KENNETH R. WILSON



What happens now that the U. S. Congressional committee has obeyed the lobbyists and killed the St. Lawrence seaway?

Behind all the headlines proclaiming that Canada should go it alone stand these hard facts:

1. The Canadian Cabinet has not yet decided to try to "go it alone." While some of the Cabinet are strongly in favor, some are lukewarm and some are opposed.

2. We can't "go it alone" unless President Truman agrees—and he has an election to consider.

Other key facts in the current excitement:

—It would be about eight years — by 1960 — before ships would move through the new seaway.

—It would be 1957 before the St. Lawrence would be producing electric power.

It is now certain that the U. S. will do nothing more on it in the lifetime of the present Congress or prior to the 1952 election. And the realities of U. S. politics being what they are, there is now little hope that in years to come, the anti-St. Lawrence lobbyists will be any less successful — unless at some future date the plan can be sponsored as a "make-work" scheme.

So, in one respect at least, the U. S. Committee vote of last week against the project is fortunate. It clearly defines U. S. intentions and puts the matter up to Canada. Had the U. S. continued to fiddle around and stall and give no answer, Canada's position would have been even more uncertain than it is today.

But if Canada decides to try it alone, then our troubles just begin.

First move: An appeal to President Truman.

Our question would be this: "Will you permit a joint application by Ontario and New York State for power development on the St. Lawrence to be submitted to the International Joint Commission?"

Mr. Truman could turn us down. He might say: "Okay, but I'll have to make certain conditions."

One of those conditions might be that if a joint power project is approved, Canada herself must undertake to develop a 27-ft. (or better) seaway. The point here is that Mr. Truman in the past has said he won't approve any power development in the international section of the St. Lawrence unless it's accompanied by a seaway. Our answer would be: Since the seaway bill won't pass your Congress, we in Canada will undertake to build it ourselves.

But Mr. Truman might make another condition which would be very tough, perhaps almost impossible for us to meet. He might say to Canada: "Okay, I'll let an application go through, provided the U. S. Federal Government gets the right to develop the power.

This U. S. federal power angle was one of the "conditions" set down in a recent vote in the Public Works Committee of the U. S. House of Representatives.

If, for political reasons, Mr. Truman made this proposal to Canada, it would be tantamount to killing or shelving the whole plan for a Canadian scheme, since federal development in the U. S. would require a vote of Congress and possibly a Canada-U. S. Treaty. In either case there would be the old Congressional battle to fight all over again.

In short, even though Truman wants the seaway, and even if he were sympathetic to Canada doing it alone, he might, for internal political reasons, ask conditions which, for all practical purposes, would shelve the seaway once again.

Truman's Authority

Why does Mr. Truman hold the whiphand over development in the international section of the St. Lawrence River?

The reason goes back to the Boundary Waters Treaty of 1907. It set up the International Joint Commission and provided that nothing could be done in international waterways without the "authority" of both governments and the approval of the IJC. And in the United States, the "authority" is deemed to rest with the President.

That's why an application for IJC hearings made in Washington and Ottawa in 1948, has been pigeon-holed ever since. Because Mr. Truman didn't want power development without the seaway, he side-tracked the 1948 application; prevented it from ever coming before the IJC.

Supposing Mr. Truman lets a joint application be submitted to the IJC, what happens then?

In the first place, it is agreed that the old 1948 application by New York and Ontario would have to be overhauled. One major reason for this is that the New York-Ontario plan eliminated the $20 million control dam at Iroquois.

Canadian federal authorities would like this dam for protective and safety reasons. So there would have to be a new conference of Ottawa-New York-Ontario experts to reach agreement on this and other differences. There would also have to be a revision of the 1948 application to put the 27-ft. waterway on the Canadian side, rather than on the U. S. side.

All this would take time. How much time? At least three to six months; possibly a year before a new application could be agreed, drafted, and formally submitted to the IJC.

How long would the IJC take to make up its mind? And what sort of answer would it likely give?

Best guess is that it would be at least another year before the IJC would initiate hearings and reach a conclusion.

Their conclusion, it is believed here, would almost certainly be favorable. Certainly the Canadian members of the IJC — General A. G. L. McNaughton, George Spence and J. Lucien Dansereau — approve the St. Lawrence development individually. It is believed that at least two of the U. S. membership is favorable.

FPC Hurdle

Then comes another hurdle — this one for New York State — approval of the Federal Power Commission.

The FPC turned down the original N. Y.-Ontario application of 1948. Oddly enough, the FPC's own committee of experts approved the application. This seems to suggest that political considerations may have had something to do with the Commission going against the advice of its own officials.

Possibly if the FPC got the nod of approval from Mr. Truman, the answer might be different. Anyhow, the State of New York would need FPC approval in order to go ahead with its side of the power development. And FPC approval (in the form of a license) may have to be obtained in advance of an application to IJC.

All this means that if the Canadian Cabinet and Mr. Truman were to give the nod within the next few weeks, it would be probably the spring of 1953 — and likely later, before the bulldozers could start biting into the Galop Rapids above Cardinal, Ontario.

And from then on, it is estimated that it would take about 4½ years to complete the first power installation; another 1½ or two years to complete the whole power job, plus the 27-foot seaway on the Canadian side.

One of the most difficult jobs would be the construction of the new canal through the all-Canadian Lachine section. No matter what happened in the International Rapids area, Canada has full responsibility for enlarging the Lachine Canal.

This enlargement was the result of a special report by a Board of Engineers headed by R. A. C. Henry in 1948. It revised earlier plans and found it completely feasible (and desirable) to develop not only a new canal but 1.2 million hp. of electric capacity in this area. This power would belong entirely to Canada.

To complete this Lachine section would be more prolonged than any other part of the undertaking. The Lachine program would have to be carried on in one of the busiest, most industrialized parts of Canada. Very extensive plans for relocating existing traffic arteries and industrial undertaking would have to be devised — in contrast to work in the international section which could proceed, in large measure, without concern for existing development.

Here, in summary form, are a few key questions and answers about the chief facts of the St. Lawrence development:

Q. What is the controversial seaway proposal which a Committee of Congress vetoed last week?

A. The project vetoed by the Committee of Public Works of the U. S. House of Representatives is a 1941 agreement between Canada and the United States requiring approval by the Canadian Parliament and by a straight majority vote of both houses of the U. S. Congress. The agreement calls for:

1. Construction of deep-water navigation facilities of 27-ft. depth in the 114-mile reach of the St. Lawrence River from Montreal to Prescott, including the development of the power resources in the upper 47 miles of this reach (known as the International Rapids section). Here a total installed hydro-electric capacity of 2.2 million hp. will be provided, to be divided equally between the two countries.

2. Widening of certain parts of the existing 27-ft. channel in the Thousand Islands section of the St. Lawrence River between Prescott and Lake Ontario.

3. Deepening of the Welland Ship Canal and the Upper Lakes Channels between Lakes Erie and Superior to 27 ft.

Q. What is the relationship of the project covered in this agreement with the whole Seaway development?

A. There are several sections in the 2,000-mile waterway which connects the Great Lakes with the Atlantic Ocean. Here's the situation in each section:

1. **Lachine Section:** This is entirely in Canada and any improvement would be at Canada's expense. The proposed power development here totals 1.2 million hp. which would belong wholly to Canada. Present locks are only 14-ft. depth and would have to be entirely rebuilt. A complete blueprint of this development was prepared by a special Canadian Board of Engineers in 1948. Its estimated costs in this section at that time as $87 millions for navigation alone and between $260 millions and $270 millions for navigation and power development. Two locks would be required to overcome a difference in level of 50 feet.

2. **Soulanges Section:** development of power resources in this purely Canadian section of the seaway is now under way at the Beauharnois plant of the Quebec Hydro-Electric Commission. Total power installation at this point now is between 700,000 and 800,000 hp. with works now under way to increase this to 1.4 million within the next three years. When this development was approved by Canada, provision was made for future installation of works necessary for deep-water navigation to fit into the over-all plan. The main works required here would be construction of two twin locks in flight.

3. **International Rapids section:** Major works required here consist of two dams, a powerhouse and three locks including considerable channel excavation and other works. In the 1951 agreement it was proposed that navigation works be located on the U. S. side, largely because of lower cost. Location of works on the Canadian side is considered quite feasible but costing an extra $35 millions.

4. **Above Lake Ontario:** Canada has already built the Welland Ship Canal to a depth of 25 feet at a cost of $132 millions. This was built between 1912 and 1932 and represents an equivalent expenditure at today's prices of $340 millions. Permanent structures are constructed to a depth of 30 ft. and completion by Canada to a depth of 27 ft. would cost an estimated $1.5 million.

The United States has spent $31 millions to deepen its channels in the upper lakes, chiefly at the St. Mary's River outlet of Lake Superior where the MacArthur Lock has a 31-ft. depth on the sills and present navigation channels are 25 ft. downbound and 21 ft. upbound. It's estimated that the U. S. would be required to spend an additional $90 millions to deepen its upper-lake channels to a full 27 ft.

The Five Seaway Steps

Here is a brief resume of the five seaway "steps" and the power and navigation situation at each point:

1. St. Mary's Falls lying between Lake Superior and Lake Huron — where there is a drop of 21 ft.

2. The St. Clair-Detroit passage joining Lake Huron and Lake Erie — drop, 8 ft.

3. Niagara Falls which separates Lake Erie from Lake Ontario — drop, 326 ft.

4. The St. Lawrence River Section which includes the International Rapids Section, the Lake Francis and the Soulanges Section and the Lachine Section — where the drop is 225 ft.

5. Montreal to the sea — the portion which lies wholly in Canadian territory and in which there is a drop of 20 ft.

Here's how the five steps will develop the nine million hp.:

At Niagara	3,600,000 hp.
In the International Rapids Section	2,200,000 hp.
In the Beauharnois or Soulanges Section	2,000,000 hp.
In the Lachine Section	1,200,000 hp.

All of this power would be Canada's with the exception of 1.8 million hp. at Niagara and the American share of 1.1 million hp. in the International Rapids Section.

Q. How much of the St. Lawrence project has already been done?

A. For navigation Canada has already spent $300 millions to provide the dredged 35-ft. St. Lawrence Ship Channel to Montreal from near Quebec; a 14-ft. canal system between Montreal and Lake Ontario; a 25-ft. channel between Lake Ontario and Lake Erie, and a lock at the Sault. The United States has provided locks at the Sault and dredged channels between Lake Huron and Lake Erie.

For power: 100,000 hp. has been developed at the Sault; 1,800,000 hp. at Niagara; 93,000 hp. at Massena, N.Y. and 1,000,000 hp. at Beauharnois.

Out of a total of nine million hp. only one third or three million hp. has been developed. But substantial expansion plans are now under way to provide an additional 600,000 hp. for Canada in the Niagara section and an additional 600,000 hp. at Beauharnois.

Q. What would annual Seaway charges amount to?

A. The total annual cost of the waterway project chargeable to "navigation" will depend on the proportion of the cost of the "works common to navigation and power" in the International Rapids section paid for by "power." If the cost of these "Common Works" were divided in the same ratio as provided for in the 1941 agreement between Canada and Ontario, the annual cost chargeable to "navigation" on works in the St. Lawrence River would be about $14 millions. This includes interest on capital cost (including interest during the construction period) operation, maintenance and depreciation.

Q. What are likely material and labor requirements of the Seaway?

A. The construction of the waterway project will require the use of the following critical materials:

Reinforcing steel	70,000 tons
Structural steel	108,600 tons
Copper	4,400 tons
Cement	7,630,000 bbl.
Lumber	118,700 mbm.

The use of these materials will be spread over five or six years. The abandonment of plans for proceeding with the waterway project would not result in a saving in the use of all the critical materials noted above. It must be assumed that if Ontario cannot obtain power from the development on the St. Lawrence River, power will have to be obtained from other sources which will require the use of similar materials.

Based on an accelerated construction scheduling designed to complete the total project in five years, it is estimated that it would require an approximate average of about 15,000 workmen on the job.

Q. What is the history of attempts by Canada and the United States to develop jointly the International Rapids Section?

A. In 1920, the governments of Canada and the United States referred the matter to the International Joint Commission. The commission submitted a favorable report and suggested setting up a larger board of engineers.

In 1926, the board of engineers confirmed the feasibility of the development.

In 1932, the St. Lawrence Deep Waterways Treaty was signed in Washington.

In 1933, it got the approval of the U. S. Foreign Relations Committee.

In 1934, it was turned down in the U. S. Senate.

Between 1936 and 1941 there were proposals and counterproposals, finally the Great Lakes-St. Lawrence Basis Development Agreement of 1941; then surveys by more advisory committees and boards of engineers.

The 1941 agreement has still to be ratified by the U. S. Senate.

In 1948, Ontario Hydro-Electric Power Commission and New York State Power Authority brought forward a plan for a 2,200,000-hp. plant which they would share. In December of that year, New York State's application was turned down by Washington.

Q. What about costs?

A. To do the entire 27-ft. seaway job and develop 2.2 million hp. in the international section of the river would cost at today's prices between $800 millions and $850 millions. That includes the extra $35 millions required to construct the waterway on the Canadian side in the International Rapids section.

Latest official estimates put the cost at $740 millions — inclusive of a Canadian canal. But these are based on December, 1950, costs. It is thought an extra 10% should be added to reflect today's prices.

Canada could get a further 1.2 million hp. by a further outlay of about $200 millions in the Lachine section.

How much of this would be chargeable to power and how much to navigation would depend on what kind of a deal was made between the Federal Government and the Ontario, Quebec, and New York State Governments.

Following the 1941 agreement, Canada and Ontario made a separate deal whereby the cost of both power and navigation works would be split 50-50. On this basis, the "net" cost to Canada for completing a 27-ft. channel clear through to the ocean would be something short of $250 millions. The balance would be paid for in two ways: (a) by the three key power authorities in the Lachine and International Rapids sections; (b) by United States assuming the $90 million to $100 million cost of deepening her own channels in the upper lakes.

But Canada's bill of expense might be less than the above figure if power interests paid a higher portion of joint costs. This is quite possible, since both Ontario Hydro and New York State in 1948 signified willingness to go ahead on their own without federal aid.

Q. How will the project affect the area in the international section of the river?

A. It will change the whole front on both sides of the international boundary line for a distance of 50 miles. The project approved is what engineers term the "238-242 controlled single-stage project." It consisted of:

1. A dam in the Long Sault Rapids and two powerhouses a short distance below this, one on the Canadian side, one on the

(Continued on page 12)

This Is Science At Work In Shirt Sleeves

From Man-Made Typhoons, Think Machines—Big Jet Advances

At Niagara Falls you can get the feeling of power. You can't help it because of the big roar and the gigantic tonnage of water; you can see it.

At another spot in Ontario there's a bigger roar and equally staggering power; you can't see that because it's under security wraps.

Here, Canadians are testing and experimenting with the Orenda jet engine; they're helping to build more power into it and they're finding answers that could lead to the super engine of the future.

This major piece of aviation research, which the whole industry is watching with interest and admiration, goes on in an old explosives factory at Nobel, 180 miles north of Toronto. It is the test plant of Avro Canada.

With a joint Avro-Government ante of $30 millions already committed in the big industrial gamble of 1946, it was evident that Avro engineers wouldn't, at least for the time being, come into a $10 million-$20 million test plant such as those existing in Britain and U.S.

But to Avro getting the necessary test plant was one among a host of initial problems that fell before resourcefulness and cold-war necessity. Engineers were sent out to look at heavy industry in Ontario and find steam turbine facilities that were producing or had capacity for extra power.

Six miles north of Parry Sound, at Nobel, Defense Industries Ltd. (C.I.L.) was packing up its big wartime munitions plant making ready for dismantling and the War Assets auction block.

The wartime plant had a variety of buildings with more than enough land for Avro's purposes. The important feature was made to order — a 6,000-hp steam turbine plant of permanent construction, several air compressors, ample water supply and an independent hydro-electric power supply.

The Federal Government loaned the plant to Avro as a capital assistance grant. Avro spent $1 million on special equipment, modification, etc., also under capital assistance, and by March, 1947, made its first actual test run at Nobel on component parts of the Chinook engine, forerunner of the bigger Orenda.

The comparative low cost and the quick availability of the "find" have proven two important features in the rapid strides made by Canada's new gas turbine industry.

Typhoons of Wind

Here is one way to realize what typhoons of wind are needed for the job, why Avro had to find or build big power and compressor facilities:

The Orenda has six combustion chambers.

To "blow" only one chamber it takes five 500-hp compressors. To blow the six chambers it would take 30 compressors and six times as much power.

No wonder there's a big roar. No wonder the workers and scientists wear extra heavy ear muffs to soften the torrent of sound.

At present W. Harry Gibson is in charge at Nobel. Paul B. Dilworth who is chief gas turbine engineer at Malton is the man for whom they are seeking results.

Hunt for Power

In layman's language the main job at Nobel is to study what goes on inside the engine, to devise ways of increasing efficiency and reliability. The work might be divided into two categories:

1. Getting maximum efficiency out of an existing design of engine, such as the Orenda.

2. Experimenting, providing new information for the designing engineers at Malton.

Rotor blades are the heart of the jet engine. In the Orenda there are over 1,000; they look like straight-edged alloyed steel and mysteriously curved shoe horns.

The hunt for better shaping of the blades, for better arrangement is important. Even a 1% increase in the efficiency of the compressor unit increases engine efficiency 3% to 5%.

To let them do things and make calculations the world has never before had to bother about, the Avro scientists have evolved unique electronic controls and new automatic devices which in five or six days give them answers which would take a year with traditional methods.

The fabulous "think" machine which does those fantastic mathematical feats incomprehensible to the layman helps process the thousands of pieces of fact which the men of Nobel extract from their testing rigs and automatic recorders.

At Nobel, science in shirt sleeves has really gone to work. What they're finding out helps Canada and the free world.

The Avro test plant might be taken for a somewhat run-down paint factory, or even a large-scale, but illicit still, parked off in the Ontario bushland. Scattered about are liberal ruins from the munitions plant. The only brick structure is that housing the steam turbine and compressors; the remaining buildings — administration, laboratory, machine shop — were hastily thrown up in 1940 intended then to last no more than five years.

For Parry Sound, the Avro decision meant a new industry to replace the practically extinct munitions plant. The test plant employs about 110, half, including skilled workers, from the Parry Sound district and the remainder sent up from Malton.

Discounting tourism, it's considered Parry Sound's second largest industry (to C.I.L.) At the C.I.L. company town of Nobel (pop. about 300) Avro Canada also salvaged housing accommodation — a deal was made with Central Mortgage and Housing to retain some of the houses built by Wartime Housing for the munitions plant.

Mechanical component, fuel system and complete engine tests are carried on at Malton test beds, but these are all mechanical as distinct from the efficiency and experimental tests at Nobel.

The Nobel plant is a vital part of Avro Canada's operations. "Without it," says D. W. Knowles, "we wouldn't be in business as gas turbine producers."

How Does OSC Fight Stock Fraud?

Lennox Gives The Record To Ont. Crime Commission

What has the Ontario Securities Commission been doing to crack down on stock racketeering? What's been achieved? What are the problems still to be met? Securities Commissioner O. E. Lennox has "drawn the curtain back" on activities in the securities field in a fashion unparalleled in recent years for benefit of a legislature committee investigating law enforcement. Herewith The Financial Post tells the story of his evidence.

Three days' testimony by Ontario Securities Commission Chairman O. E. Lennox before Ontario's seven-man crime committee last week brought out these significant facts.

1. About 12½% of firms registered under the Ontario Securities Act at the beginning of this year (some 50 firms) had engaged in "extravagant mailing and high-pressure selling across the border." This 50 out of approximately 400 ratio is stated to be less now due to "heavy cancellations" early in 1951.

2. This fringe group of operators are among 140 of 165 members of the Broker-Dealer Association of Ontario who are not members of the Toronto Stock Exchange. One TSE member is stated to be in the picture in many cases although the firm does not engage in mailings to the U. S.

3. Introduction by the BDA of a $10,000 broker's blanket bond, to be compulsory for all members Oct. 1, 1951, is expected to weed out some present undesirables.

4. Excessive markups in retailing of speculative stocks is a current point of dispute between the Broker-Dealers Association of Ontario and the OSC. Mr. Lennox holds the view that lower markups would cut out flamboyant mailing, high pressure tactics.

5. "Fronts" still exist but are "terribly difficult" to prove; operation of "fronts" is claimed to have been made unprofitable recently by early cracking down on first deals. "Some of the most sanctimonious, self-righteous individuals you ever saw crop up as fronts, declared Mr. Lennox.

6. "Tipster" advisory counsels are all registered as Type 1 under the Ontario Securities Act; eight out of 15 of these have lost licenses since last October. Further investigations are being made. Type II registrants were stated to be "a credit to the business."

7. A new board of governors of the BDA has shown a definite interest in cleaning up current situation. An earlier board of governors hadn't "advanced a single constructive policy" but was always making representations to do away with the prospectus and other controls.

8. Literature put out by broker-dealers and perused by BDA officials "has improved and is improving." "The best people to control literature is the industry itself," Mr. Lennox said. "If we (the Commission) said we perused it, it would create a false sense of security in the public mind."

9. An October, 1949, suggestion to the SEC of a sawoff deal, made by the BDA—"permit stock issuers simple registration under regulation "A" for $350,000 a year of selling in return for a crackdown on mail and telephone solicitation"—was met by a demand for revision of the existing extradition treaty.

10. No action has been taken by SEC to secure extradition in cases where there has been no doubt on the part of legal authorities here of U. S. ability to extradite.

11. Volume of money extracted by high pressure solicitation from Ontario is estimated by Mr. Lennox at perhaps $9,040,000 a year over the last three years as against figures of $52 millions a year and higher claimed in U. S.

Hearings of the Ontario Legislative crime probe committee are scheduled to resume Aug. 21, 1951. So far the committee has—

(a) Decided to resume hearing of Mr. Lennox at its next session.

(b) Requested Mr. Lennox to recommend any desirable changes of existing legislation.

(c) Given instructions that an invitation to attend be extended to the chairman of the SEC and to John T. Callahan or some other SEC special investigator, in order that they may give testimony.

(d) Issued instructions that William Wismer, general counsel of the Broker-Dealer Association, be invited to attend and give testimony.

(e) Considered the desirability of having copies of promotional literature filed with the Commission a full week before its issue together with details as to quantities to be sent out and destination.

Tells of Huge Mailings

In examination, Mr. Lennox said the first big mailing which came to his attention—one of a million pieces—was back in 1948 or 1949 and that he didn't think there had been anything larger since.

The mailing of a million pieces had given pretty thorough coverage through the United States and Canada. There had been no suspension or cancellation but after a fraud order was issued in U. S., an undertaking was secured not to mail into U. S. and the man subsequently lost his license.

Instead of huge single mailings, the present trend was stated to be toward steady weekly or bi-weekly larger ones. Periodical mailings were stated to add up to "sometimes 100,000, sometimes 300,000 or maybe more, possibly half a million."

Mr. Lennox said the Commission was following the policy that "registration should not be granted in Ontario solely for the purpose of selling shares outside this province." If too large a proportion of mailing was done outside Ontario, or if the part of mailing done in Ontario was mere window dressing, cancellation of registration would follow.

Mr. Lennox said literature complained of is not necessarily fraudulent but has been in large part meaningless. "There is talk about a lot of irrelevant material. Some circulars sent to me anonymously indicate the same thing goes on there. One device used here was apparently invented in Texas 20 years ago," Mr. Lennox stated.

Asked if it wasn't true that mailings to the U. S. were misleading, Mr. Lennox replied:

"It was certainly true of mailings to U. S. some time ago . . . We have a file of literature and I think you will agree there is a vast improvement."

BDA Fight Won?

One of the thorniest problems of his early administration was the unsatisfactory conduct of the Broker-Dealer Association, Mr. Lennox indicated. At one time, he said, some of its members thought the organization was a protective device to facilitate their extravagant methods, and some looked to its governors for protection.

After extensive criticism of Toronto stock-selling methods in U. S., the BDA board introduced a 60-day stay on mailings into U. S.

"Each and every member was to refrain from mailing to the U. S. for 60 days except where a member could complete a sendout already prepared. However, there were a select little few who had their mailings ready. I believe others felt they were sabotaged."

This took place in February, 1949. Apparently there had been a leak from the board of governors.

Two members of the board resigned, things came to such a state, Mr. Lennox indicated.

Member after member appealed to Commissioner Lennox against being forced to be a member of the BDA. Many reasons were advanced. It was claimed that there were "leaks" about financial standing of firms. It appeared that as soon as a firm's financial position deteriorated, the principal would be approached with a financial proposition that he would become a "front."

"I felt they needed a good dose of medicine and they got it," Mr. Lennox declared. Registration independent of the BDA was granted to 33 requesting members. Mr. Lennox continued: ". . . They lost fees of 33 members. I think at that time that was what they were primarily interested in. They lost the value of these fees for publicity purposes."

SEC Ban Scored

When a change in attitude occurred, Mr. Lennox suspended the practice of giving independent registration.

The ban placed by the SEC on American brokerage houses accepting orders on Canadian stocks listed on Canadian exchanges which are not registered with the SEC and where underwritings and/or options are outstanding came in for criticism by Mr. Lennox.

Quoting Section 4, subsection 2 of the 1933 U. S. Securities & Exchange Act dealing with exempted securities, Mr. Lennox declared that the New York regional office of the SEC had no statutory power to set up such a ban because this subsection stated clearly that U. S. brokers could accept and transact customers' orders on any exchange or market although solicitation was not allowed.

As an example of how certain operators would go to great lengths in their efforts to deceive the public, Mr. Lennox cited the cases of two firms, whose registrations have now been cancelled, which had deliberately altered copies of The Financial Post. Said Mr. Lennox:

"The Financial Post got out a special issue featuring oils. Page 49 was a free leaf, not in a double form. Both of these firms ordered several thousand and removed page 49 and had another page printed and inserted the orphan page and sent it out to the U. S. . . . They even used their own postal meter. If it were not for alert people in U. S., it would not have been detected. It happened that they sent some to people who were subscribers to The Financial Post and saw the difference. Their registration had been cancelled before we heard about this. They are closed up properly."

Opposes 'Restitution'

Mr. Lennox warned strongly against reintroduction of any system of restitution in cases of security frauds. Restitution was the practice a few years ago, and "did more to undermine securities administration in this province than anything else."

"With restitution there is a sudden collapse of memory" when it comes to organizing a prosecution, Mr. Lennox declared.

Issue was taken with a statement attributed to the Better Business Bureau of St. Louis to the effect that $52 millions a year had been taken out of the United States by high pressure stock selling methods. "I don't know how they arrive at the 52 security issuers said involved and the figure of a million dollars each a year . . . There are 52 firms and 65 issues involved. The figure of $52 millions a year is obviously wrong because the fraud orders cover three years . . . The figure of $52 millions should be divided by three in any event."

"I have taken 10, the first 10 on the list except I had to pass over two or three because I couldn't get complete information. I have taken issued capital stock and reduced that by shares still in pool."

This gave a total of 8,350,000 shares sold and that divided by 10, the number of issues, gave a figure of 835,000 shares sold per issue. Multiplying that by 65, and assuming that all the shares were sold in the United States, and assuming an average sale price of 50 cents a share, Mr. Lennox estimated that the average take per year might be in the neighborhood of $9,044,083 annually. "I want the people to get somewhere close to the truth," he said.

Tighten Up Share Issues

It was explained that the Ontario Securities Commission has tightened up on the issue of vendor shares (shares issued in payment of mining or oil properties). Of shares issued for properties, 90% are placed in escrow or pool.

In former times, it has been the practice to permit a million shares to be issued to vendors in a company with an authorized capital of three million shares. The present commission has reduced the maximum number of shares which may be issued to vendors to 750,000 in a three-million-share company. In a four-million-share company, only 20% of the shares can be issued to vendors and in a five-million-share company, the limit set is now 18%.

"That is a matter involving millions of dollars," said Mr. Lennox. "Although they objected to it at the time, I think prospectors agree with it now because their shares have a greater value."

OSC's "Box Score"

BROKERS & DEALERS

Year Ended:	Cancelled or Suspended	Registration Refused	Application Abandoned	Total
March 31, 1948	13	9	5	27
March 31, 1949	9	11	16	36
March 31, 1950	4	9	9	22
March 31, 1951	17	12	6	35

SALESMEN

Year Ended:	Cancelled or Suspended	Registration Refused	Application Abandoned	Total
March 31, 1948	3	7	44	54
March 31, 1949	12	28	47	87
March 31, 1950	..	27	35	62
March 31, 1951	9	29	46	84

REGISTRATION OF ISSUES

Year Ended:	Issues Accepted	Refused or Abandoned	Total
March 31, 1948	320	63	383
March 31, 1949	323	46	369
March 31, 1950	303	49	352
March 31, 1951	327	43	370

RECORD OF PROSECUTIONS

	Charges Tried	Convictions Secured	Jail Terms
Calendar year 1949	..	33	2
14 months to Feb. 28/51	48	38	9

Sure! We Can Try Seaway Alone, But—

(Continued from page 11)

American side, each capable of developing 1,100,000 hp. This dam will flood communities on both sides of the river and on the Canadian side for a distance of 30 miles by a width of one to three or four miles.

2. A control dam in the vicinity of Iroquois Point, the object of which will be to control the level of the pool and to protect the down river interests at Montreal.

3. A side canal on the United States mainland to carry navigation around the Long Sault Dam and a side canal to circumnavigate the control dam at Iroquois. (The Canadian scheme would substitute a series of canals on the Canadian side of the river. But no details of the plan have been officially announced.

4. Dikes where necessary. The elevation of the project will be 238-242 feet above sea level. The average elevation along the front from Cornwall to Prescott is 220 ft. When completed, communities such as Mille Roches, Moulinettes, Wales, Dickinson's Landing, Farran's Point, Aultsville, and one half of Morrisburg, will in some cases be from 18 to 22 ft. under water. All along the front for about 30 miles communities will be submerged. These, it is planned, will be relocated on the new shore line.

Q. Why is the project necessary from a power standpoint?

A. As a result of the rapid postwar expansion of industry in Canada, together with a constantly rising consumption of domestic power, the Province of Ontario has been, for the past few years, faced with an acute shortage of power to meet demands.

This is further accentuated by the present increasing activity in defense production. The International Rapids Section with its 2.2 million hp. potential — one half of which belongs to Canada — constitutes the one remaining large block of undeveloped hydro power available to Ontario in the southern portion of the province.

For Quebec the increased output at Beauharnois, now being built, will satisfy the power demands for the Montreal industrial area for not more than a few years. Power will be needed from the Lachine Section of the International Rapids not later than 1955, if the present rate of growth in power demand continues.

Q. What other difficulties have come up in conjunction with the Seaway?

A. Most of the Great Lake's harbors would have to be dredged and rebuilt to accommodate sea-going shipping.

The United States would like to see the navigational channel deepened to 30 ft. because only about 10% of the present seagoing U. S. merchant-marine fleet is shallow enough to use the proposed seaway under full cargo, whereas about 45% of the foreign merchant ships could do so. However 75% of the U. S. fleet could carry enough cargo on the seaway to make it pay off commercially.

Q What are some of the other "pro's" and "cons" of the seaway argument?

A. Iron ore has become an important factor in seaway economics (and politics) with the shrinkage of high-grade ore reserves in the Mesabi range and the growing appetite of North American industry. Development of Labrador iron-ore deposits is already under way without assurance that there will be a 27-ft. seaway. But development of the seaway would lower costs of transportation and permit considerably larger volume of this ore to move to central U. S. markets.

Another argument is the strategic importance of the seaway as a further addition to transportation arteries and a channel which would open up inland shipbuilding facilities for construction of war vessels in time of emergency.

Chief opposition to the seaway comes from railway and labor interests in the United States who fear the competitive effect of a new and cheaper transportation route. Regional ports such as New York which believe trade would be diverted by the construction of the seaway, have been traditionally opposed.

In Canada there is very little concerted opposition to the seaway at the present time although in recent months, questions have been asked in Parliament by Maritimes members who question the value of this expenditure at this time.

By and large, most Canadians seem to have accepted the project as an ultimate and necessary development.

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New Plant Will Double Output For D. Lalonde

MONTREAL (Staff) — New Montreal plant of Daoust Lalonde Inc., officially opened recently, will approximately double the company's annual capacity output of boots and shoes. Cost of the plant was "close to $500,000" and production got under way earlier this month.

Productive capacity of Daoust Lalonde, (bought recently by Alfred Lambert Inc.) now totals some 3,000 pairs. Over 80% of output comprises athletic boots and shoes (skating boots, ski boots, track shoes, etc.) and safety shoes. The company recently also began manufacturing men's dress shoes.

So far in 1951, President Louis Daoust tells The Post, over-all business has been holding up well, with prospects bright for the balance of the year. While dealers have been a bit late this year placing orders for next winter's sports equipment, demand is strong and a good season is anticipated. In the straight apparel lines, some softening has been evident but this has been balanced by firm demand for sportswear.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BRITISH COLUMBIA PACKERS LTD. net profit of $1,893,942 for the year ended March 31, 1951, was up 75.7% from the net profit of $1,078,-781 for the 11 months ended March 31, 1950.

Net sales totaled $38,357,815, highest in company's history. During the year the company entered into Nova Scotia fisheries and this operation, while comparatively small, was satisfactory, President J. M. Buchanan says.

A substantial proportion of the increase of $1,357,754 in accounts receivable is due to advances to fishermen for privately owned new boats and equipment. The required increase in size and versatility of boats and extremely high basic cost of boat equipment are major factors in such advances.

The increase of $1,849,694 in inventories of finished products is due chiefly to larger stocks of canned keta salmon and frozen halibut. These two items particularly met market resistance, Mr. Buchanan says.

In addition to large expenditures made to expand the fishing and processing equipment of company's main operations on the Pacific coast, about $100,000 was spent on improvements in miscellaneous plant facilities in Manitoba, Nova Scotia and New York. In New York City, a small cold storage plant is being installed to service products. Company has under construction in Prince Rupert a large meal and oil plant. It has purchased and taken delivery of two additional Antarctic steel steam killer boats—one formerly of British registry, the other Norwegian. Most of the initial cost of these boats is reflected in the accounts at March 31, 1951.

Net fixed assets increased $125,747 after deducting depreciation of $990,980.

With the exception of keta, canned products found ready acceptance in the past year. Sockeye and cohoe were marketed in Canada at the same levels as in the previous year. A small increase was received on pinks and keta. An industry contract for about the same value as last year's contract, which was filled in its entirety, is under negotiation for delivery from the current season's pack.

Frozen halibut in dressed headless form encountered a weak market situation, resulting in markedly lower prices for inventory accumulated at higher prices. The same reaction was found in marketing frozen chums. Result has been a drastic reduction in volume in this form.

Company's program for expanded production and sale of packaged and branded fillet items continues its growth and consumer acceptance.

An improved level of prices was obtained for fish oil but recently fish oil prices declined again. The average unit price received for fish solubles was less than in the previous year.

Settlements have been concluded with all union groups for the summer operations and these will result again in increased cost of products. Still subject to further negotiation are minimum prices for fall salmon and for fall and winter herring.

CONS. INCOME ACCOUNT

	Year ended Mar. 31 1951 $	11 mos. ended Mar. 31 1950 $
Net sales	38,357,815	29,198,295
Net earnings	5,176,882	2,768,071
Less: Depr.	990,980	925,571
Bond. int.	68,854	24,375
Tax. reserve	1,989,189	739,344
Minor int.	233,917	......
Net profit	1,893,942	1,078,781
Less: Cl. A divds.	211,918	211,918
Cl. B divds.	183,663	141,279
Surplus for year	1,498,361	725,584
Earnings per Share and Dividend Record:		
Cl. A: Earned	$6.70	$3.82
Paid	0.75	0.75
Cl. B: Earned	5.95	3.07
Paid	0.65	0.50

CONDENSED CONS. BALANCE SHEET

As at:	Mar. 31 1951	Mar. 31 1951
Cash	$488,615	$401,400
Accts. rec.	4,667,225	3,294,454
Inventories	9,623,927	6,356,783
Total curr. assets	14,779,767	10,052,637
Prep. exp.§	67,871	61,042
Misc. assets▲	142,260	231,457
Fixed assets*	4,921,492	4,795,745
Licenses, g'dwill	1,238,451	1,273,369
Total assets	21,149,841	16,414,250
Bank advances	1,794,940	3,001,408
Accts. & tax pay.	5,391,202	2,847,519
Total curr. liab.	7,186,142	5,848,927
Exchange res.	83,163	41,386
Minority int.	301,397	......
Funded debt	2,250,000	750,000
Capital stock	3,730,000	3,730,000
Earned surplus	7,399,139	6,043,937
*After depr. of	9,314,259	8,567,692
▲Incl. ref. EPT	......	51,697
§Incl. in curr. assets in co's report.		
Working capital	7,593,625	4,203,710

HALCROW SWAYZE MINING reports the July 16 option installment, comprising 300,000 shares at 15c and 20c, under agreement with Kingsley Jarvis, has not been exercised. The agreement has been terminated.

YOU ASKED US

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INVESTMENTS

Power Corp.

Please give me some information on the position of the 6% second preferred shares of Power Corp. of Canada. I paid $60 a share for it.

Power Corp. of Canada 6% non-cumulative $50 par second preferred shares, at their present market price of about $53.25 per share, yield approximately 5.6%. After this stock was listed on the Montreal Curb Market in 1938 it traded consistently somewhat below par until 1946, when it hit a peak of $60 per share. This high was reached again the following year and, since then, it has traded between $50 and $58 per share. At $60, the price you purchased it, the stock yields 5%. The full $3 per share annual dividend has been paid regularly since 1927.

Power Corp. first preferred shares, at their current $109 a share, yield about 5.5%.

In judging the current price it must be borne in mind that the bull market has been concentrated to a greater degree in common stocks than to preferreds. One of the reasons for this is that in common stocks there are prospects of greater returns to the shareholders through increasing profits, while most preferreds bear a fixed annual dividend rate. Commons are, in many cases, regarded as a partial hedge against further inflation.

Power Corp. second preferred, of course, carries a participating feature which specifies that it has the right to participate, on a share-for-share basis, in any further distribution after $3 per share has been paid in any year on the common. However, earnings of Power Corp. so far have been considerably below the amount needed to justify a dividend of $3 per share on the common. Net profit for the year ended June 30, 1950, was equal to $1.75 per common share.

Dividends on the common stock were below $1 per share for many years until 1950. As a result of this, possibly investors do not attach, at the moment, too much importance to this participating feature.

Power Corp. does not publish a list of its investments and it is therefore rather difficult to assess its position. It controls, through stock ownership, East Kootenay Power Co., Canada Northern Power Corp. and Northern British Columbia Power Co., while it is associated by stock interest in British Columbia Power Corp., Winnipeg Electric Co., Foreign Power Securities Corp. and Southern Canada Power Co. Its holdings in subsidiary and affiliated hydro-electric and utility companies comprise over 58.9% of total investments. Investment holdings were carried at a book value of $27,395,305, compared with a market value of $31,722,-177, at June 30, 1950.

Earnings per second preferred share in recent years have been as follows: 1949-50, $10.80; 1948-49, $10.14; 1947-48, $8.13; 1946-47, $7.61; 1945-46, $5.84; 1944-45, $5.07 and 1943-44, $4.80. Net profit for the year ended June 30, 1950, totaled $1,380,438 against $1,314,-043 in the preceding fiscal year.

Imperial Tobacco

How have earnings and dividends been running for Imperial Tobacco Co. of Canada common stock?

Imperial Tobacco Co. of Canada common stock, at its present price of about $11 per share, and on the basis of its 60c per share dividend in 1950, yields approximately 5.4%.

Despite increases in the prices of its products, Imperial shows an unusually stable earnings and dividend record. In the last 25 years earnings per common share have varied from a low of 49c to a high of 64c and were well maintained throughout the depression years.

Ordinary share dividends have been paid each year since the initial dividend in 1912 and the company's policy has been to pay out the major share of its earnings as dividends. Present policy is to pay common share dividends on the basis of four interim payments during the year plus a final payment when results for the year are known. This resulted in common share dividends totaling 60c per share in each year 1946-50 inclusive. Reflecting the stability of earnings, the price of its common shares has varied little over the years.

In 1950 net profit increased to $6,994,243 from $6,864,954 the previous year, despite advanced cost of all classes of goods and services required. These were equal to 63c and 62c per share respectively.

Saint John Airport Soon Ready for Service

From Our Own Correspondent

SAINT JOHN — The Saint John airport, to be one of the finest in Eastern Canada when completed, is now nearing formal opening. Application for authority to operate the field is expected to go to the Board of Transport Commissioners this week. The airport has been carved from a wilderness in the past two years. Two long runways, administration buildings and other facilities and a network of paved highways are now practically completed. The port is located at Loch Lomond some nine miles from the heart of the city.

Sales to U. K., France Boost Pitprop Industry

From Our Own Correspondent

SAINT JOHN — A large volume of pulpwood and pitprops shipments to Britain and France is being shipped through the Port of Saint John this summer.

It is expected that by the end of the season more than 35,000 cords of both products will have been handled. Revival of the pitprop industry and activity in pulpwood cutting are proving a boom to many farmers as well as to lumber operators and shippers throughout the province and are providing much seasonal employment.

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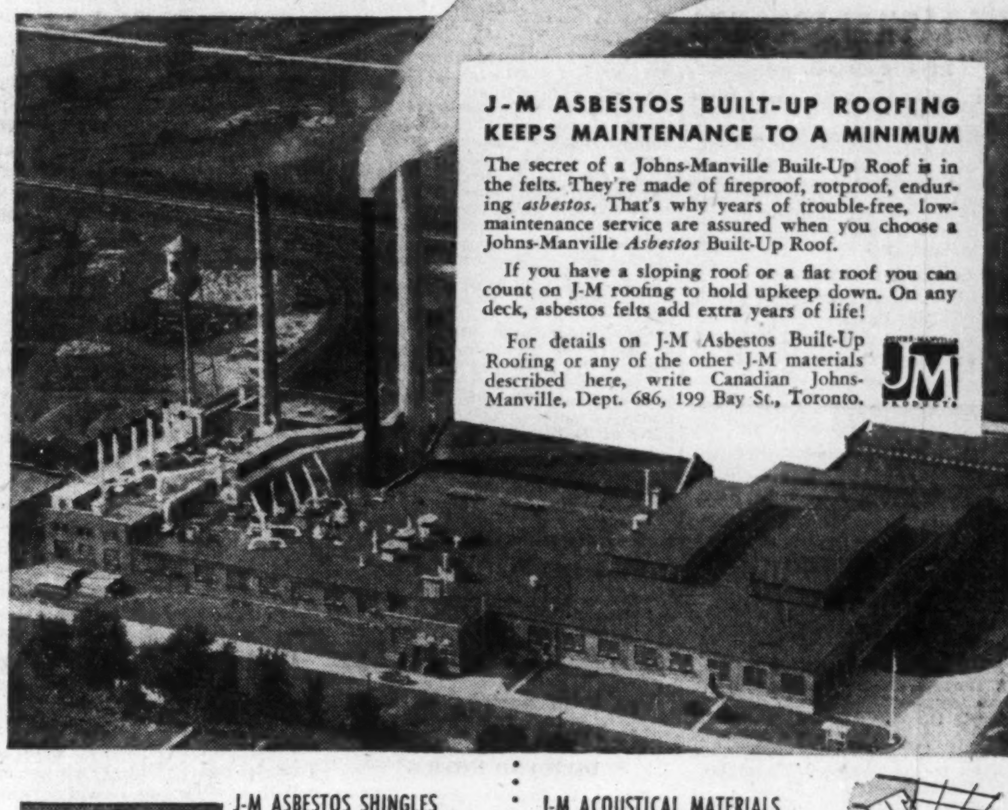

J-M ASBESTOS BUILT-UP ROOFING KEEPS MAINTENANCE TO A MINIMUM

The secret of a Johns-Manville Built-Up Roof is in the felts. They're made of fireproof, rotproof, enduring *asbestos*. That's why years of trouble-free, low-maintenance service are assured when you choose a Johns-Manville *Asbestos* Built-Up Roof.

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For details on J-M Asbestos Built-Up Roofing or any of the other J-M materials described here, write Canadian Johns-Manville, Dept. 686, 199 Bay St., Toronto.

J-M ASBESTOS SHINGLES

Made of asbestos and cement, J-M Cedargrain Siding Shingles and J-M Durabestos Roof Shingles are really an outstanding *fireproof* combination. Attractive in appearance, they are available in a wide choice of colours. These asbestos shingles won't rot or wear out and they never need paint to preserve them.

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Got a noise problem? It will pay you to get the benefit of Johns-Manville's experience in the sound control business. Today, all over Canada, Johns-Manville Acoustical Materials are helping to reduce unwanted noise in radio studios, offices, factories, theatres and hospitals. In many cases their application has resulted in noise reduction of as much as 42%. We'll be glad to help you.

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CONTINENTAL CAN COMPANY OF CANADA, LIMITED
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DIVIDEND NOTICES

BANK OF MONTREAL
ESTABLISHED 1817
DIVIDEND NO. 355

NOTICE is hereby given that a DIVIDEND of TWENTY-FIVE CENTS per share upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after SATURDAY, the FIRST day of SEPTEMBER next, to Shareholders of record at close of business on 31st July, 1951.

By Order of the Board.
GORDON R. BALL,
General Manager.

Montreal, 17th July, 1951.

THE BANK OF TORONTO
DIVIDEND NO. 280

Notice is hereby given that a **Dividend of Thirty-Five Cents** per share on the Paid-Up Capital Stock of this Bank has been declared for the current quarter, payable at the Head Office of the Bank and its Branches on and after the first day of September next, to shareholders of record at the close of business on August 15th, 1951.

By Order of the Board.
L. G. GILLETT,
Vice-President and General Manager.

Toronto, July 10th, 1951.

MONTREAL LOCOMOTIVE WORKS, LIMITED
Dividend No. 22

A dividend of twenty cents (20c) per share on the common stock of this Company has been declared payable October 1st, 1951, to shareholders of record at the close of business on September 10th, 1951, subject to the approval of the Foreign Exchange Control Board.

Transfer books will not be closed.

WILLIAM J. NILES,
Secretary.

July 24, 1951.

SIMPSONS, LIMITED
Preferred Dividend No. 26

NOTICE is hereby given that the regular quarterly Dividend for the quarter ending September 15, 1951, of One dollar and twelve and one-half cents ($1.12½) per share on the outstanding paid-up Four and one-half per cent (4½%) Cumulative Redeemable Preferred Shares of the Company has been declared payable September 15, 1951, to shareholders of record as at the close of business on August 15, 1951.

The transfer books will not be closed.

By Order of the Board.
FRANK HAY,
Secretary and Treasurer.

Toronto, July 25, 1951.

SIMPSONS, LIMITED
Class "A" Shares
Without Nominal or Par Value
Dividend No. 20

NOTICE is hereby given that a Dividend of One dollar ($1.00) per share on the outstanding paid-up Class "A" Shares Without Nominal or Par Value of the Company has been declared payable September 15, 1951, to shareholders of record as at the close of business on August 15, 1951.

The transfer books will not be closed.

By Order of the Board.
FRANK HAY,
Secretary and Treasurer.

Toronto, July 25, 1951.

SIMPSONS, LIMITED
Class "B" Shares
Without Nominal or Par Value
Dividend No. 10

NOTICE is hereby given that a Dividend of One dollar ($1.00) per share on the outstanding paid-up Class "B" Shares Without Nominal or Par Value of the Company has been declared payable September 15, 1951, to shareholders of record as at the close of business on August 15, 1951.

The transfer books will not be closed.

By Order of the Board.
FRANK HAY,
Secretary and Treasurer.

Toronto, July 25, 1951.

EDDY PAPER COMPANY LIMITED
Notice of Dividend on Class "A" Shares

The Board of Directors has declared a quarterly dividend of 25 cents ($.25) a share on the outstanding Class "A" Shares of the Company, payable September 15, 1951, to shareholders of record at the close of business on August 16, 1951. Cheques in payment will be mailed to the shareholders of record. Stock transfer books will not close.

R. F. CALDWELL,
Secretary.

July 24, 1951.
Hull, Canada.

Henry Morgan and Company, Limited
DIVIDEND NOTICE

A dividend of $1.25 per share (being at the rate of 5% per annum) has been declared on the 5% Cumulative Redeemable Sinking Fund Preferred Shares of the capital stock of the Company for the quarterly period ending August 31st, 1951, payable September 1st, 1951, to holders of record of said shares at the close of business on August 10th, 1951.

A dividend of $1.19 per share (being at the rate of 4¾% per annum) has been declared on the 4¾% Cumulative Redeemable Sinking Fund Preferred Shares of the capital stock of the Company for the quarterly period ending August 31st, 1951, payable September 1st, 1951, to holders of record of said shares at the close of business on August 10th, 1951.

By Order of the Board.
A. S. McMURTRY,
Assistant Secretary.

DIVIDEND NOTICES

MACASSA MINES, LIMITED
(No Personal Liability)
DIVIDEND NO. 57

Notice is hereby given that a quarterly dividend of Three (3c) Cents per share has been declared on the issued capital stock of this company, and will be paid in Canadian funds on September 15th, 1951, to shareholders of record as of the close of business August 15th, 1951.

By Order of the Board.
E. W. VANSTONE,
Secretary.

Toronto, July 25, 1951.

MAPLE LEAF MILLING Company, Limited
NOTICE OF DECLARATION OF STOCK DIVIDEND

The directors of Maple Leaf Milling Company, Limited, have declared a dividend in the form of thirteen (13) 5% Cumulative Redeemable Preference Shares of the par value of $1.00 each of the capital stock of the Company for each issued and outstanding common share of its capital stock to the holders of such common shares of record in the books of the Company at the close of business on the 30th day of July, 1951, and the said preference shares have been allotted as of the 31st day of July, 1951, by way of such dividend to those holders of the said common shares.

Accordingly on July 31, 1951, each shareholder who was recorded in the books of the Company at the close of business on July 30, 1951, as a holder of common shares will become the holder of thirteen (13) of the said preference shares for each common share recorded in the name of such shareholder at the close of business on July 30, 1951.

Interim certificates for the said preference shares are being prepared and will be mailed to holders in due course.

By Order of the Board.
G. H. HAND,
Secretary.

Toronto, July 23, 1951.

The John Bertram & Sons Company Limited
DIVIDEND NOTICE

Notice is hereby given that a dividend of twenty-five cents (25c) per share has been declared on the outstanding Class "A" stock of this company, payable August 15th, 1951, to shareholders of record July 31st, 1951.

Dundas, Ontario. J. W. McNAB,
July 17th, 1951 Secretary.

DAVIS LEATHER COMPANY LIMITED
NOTICE OF DIVIDENDS

Notice is hereby given that a quarterly dividend of 37½c per share has been declared on the outstanding Class A shares of this Company, payable September 1, 1951, to shareholders of record at the close of business on August 15, 1951.

Notice is hereby given that a quarterly dividend of 17½c per share has been declared on the outstanding Class B shares of this Company, payable September 1, 1951, to shareholders of record at the close of business on August 15, 1951.

By Order of the Board.
KENNETH C. BENNINGTON,
Secretary.

Newmarket, Ontario,
July 25, 1951.

Imperial Tobacco Company of Canada, Limited
— DIVIDEND —

An Interim Dividend (No. 194) of twelve and one-half cents (12½c) per share on the paid-up Common Shares of the Company has been declared payable on Saturday, the 29th day of September, 1951, to shareholders of record at the close of business on Wednesday, the 15th day of August, 1951.

A Semi-Annual Dividend (No. 79) of Three per cent (3%) on the paid-up 6% Preference Shares of the Company has been declared payable on Saturday, the 29th day of September, 1951 to shareholders of record at the close of business on Wednesday, the 15th day of August, 1951.

By Order of the Board.
H. E. JACKSON,
Secretary.

Montreal, P.Q.,
26th July, 1951.

ALUMINIUM LIMITED
DIVIDEND NOTICE

On July 24th, 1951, a quarterly dividend of Ninety cents per share in U.S. currency was declared on the no par value Shares of this Company payable September 5th, 1951, to shareholders of record at the close of business August 6th, 1951.

Montreal *J. A. DULLEA*
July 24th, 1951 *Secretary*

CANADIAN VICKERS LIMITED
COMMON SHAREHOLDERS

Notice is hereby given that a dividend of 25 cents (25c) per share on the 530,000 shares outstanding has been declared and will be paid on the fifteenth day of August, 1951, to shareholders of record at the close of business on July 31st, 1951, subject to the approval of the Foreign Exchange Control Board.

J. B. HATCHER,
Secretary.

Montreal, July 23rd, 1951.

BURRARD DRY DOCK COMPANY LIMITED

NOTICE IS HEREBY GIVEN that a quarterly dividend of .12c per share on the Class "A" shares of the Company has been declared for the quarter ending August 25th, 1951, payable on the 15th of September, 1951, to shareholders of record at the close of business on the 25th day of August, 1951. The Transfer Books will not be closed.

By Order of the Board.
C. M. MORDY,
Secretary-Treasurer.

Vancouver, B.C.,
July 23rd, 1951.

Provincial Roundup
Significant events in public affairs and business in the Canadian provinces

Nova Scotia

Timber Sale: Scotia Lumber Co., Sherbrooke, has sold timber limits of 40 square miles—between Sherbrooke and Sonora—to Spencer Bros. & Turner Ltd., Truro, a branch of George Eddy Lumber Co., Bathurst, N.B., which plans to erect and have two saw mills operating on the limits by November. The Truro company also purchased some smaller holdings in the Sherbrooke area. The move is hailed as a "great thing for Sherbrooke."

Tourist Traffic: Up to July 15, 2,156 more foreign automobiles had entered N.S. than the same period last year according to the Nova Scotia Bureau of Information. Tourist traffic in Cape Breton was reported up 15%. It's estimated that 1,000 tourists are visiting Halifax daily, with registrations running 100 a day ahead of last year. Figures on plane, ship and train traffic are not tabulated until the year's end.

* * *

New Brunswick

Shad Run: The annual "fall" shad run has been under way for several days in Saint John Harbor, with the first of this year's catch already on the market. Indications are for a good run with low prices. The shad was good news for fishermen with other varieties of foodfish below average this year in the harbor and along the coast. Fishermen are getting $20 a hogshead for spotty sardine catches, a price considered good but not high.

Handicraft Attraction: New Brunswick's Fundy National Park handicraft tourist attraction is going over big acording to provincial director Dr. Ivan H. Crowell. To date, nearly 50 persons are enrolled in weaving, woodworking, metal art work, leather work, candle making and other courses. About half of those taking the courses are from the U.S., the remainder from Canadian points as far west as Winnipeg, with a heavy Toronto showing. The school opened July 9, will close Aug. 25. Display is a feature of the school and has become one of the park attractions. On a recent Sunday 1,128 visitors registered at the display, representing eight Canadian provinces and 16 U.S. states.

* * *

Quebec

Dorval Fase-Lifting: Northeast and southwest runways of Montreal Airport, at Dorval, are being extended to 7,000 feet from present 5,000, will be resurfaced with macadam and asphalt in a bid to stay out front as Canada's leading international air link comparable with any on the continent. Last year the east-west runway was given similar treatment. The field now serves 1,500 passengers a day with shuttle flights maintained by seven international airlines. The almost 1,400 acre field came into existence in 1941.

* * *

Ontario

Rental Rules: Ontario's new rental regulations, announced last week by Chairman Louis Cecile of the Legislature Rent Control Committee, revoke the April freeze put on when the province got into control of rental housing vacated by Ottawa. The general effect is to remove from rent control new housing built after Jan. 1, 1947 (not controlled by federal regulations but which came under the Ontario freeze). Provision for other housing rent boosts is made in two ways only: 1. Tenant and landlord agreement in reaching two-year leases, permitted after Aug. 20. 2. With approval of rental boards where property carrying costs have increased. Other regulations: leases now in force (except those for more than two years) are binding; where a tenant has no lease he may be given six months' notice to vacate where the landlord became owner prior to June 15, 1951, and if he wants the premises for his own use or use by his immediate or in-law family; other provisions of the regulations—right to appeal, maximum rentals, right to possess etc.—remain in force; the freeze order of April, 1951, is revoked as of Aug. 1, 1951. The announcement cautions no action on the general statement until full examination of details is made.

* * *

Manitoba

Immigration Aid: The Provincial Government is advancing $6,000, $30 per person, to bring 200 experienced farm laborers from West Germany. They are expected to arrive about mid-August. Recent removal of restrictions to the entry of German nationalists into Canada partially cleared the way for admission of selected groups. A difficulty of inconvertibility of German currency is overcome by the Manitoba scheme for farm laborers—the balance of passage money will be paid through a federal assistance plan. Farm jobs will be ready for the group when they arrive. Conditional is that they remain in agricultural work for at least two years or until they have repaid both Federal and Provincial Governments.

Industrial Brochure: The Provincial Department of Industry and Commerce, which for the past year has been trying to encourage decentralized development of Manitoba industry, has issued a 42-page booklet on "Facts About Brandon." Brandon, centring the rich agricultural areas of the western part of the province, has doubled the number of its manufacturing plants within the last five years. In the same period gross production of its industrial plants has increased 60%. Investment in manufacturing facilities in the past three years has been $1,070,000. A similar study of Winnipeg is expected to be completed this year. The Department is also carrying out economic surveys of several rural Manitoba communities.

Saskatchewan

Horsemeat Regulations: Provincial regulations governing the sale of horsemeat in Saskatchewan were announced last week by Attorney General J. W. Corman. Provisions for legal sale are: 1. No other kind of meat may be sold on the same premises 2. All horsemeat stores "shall conspicuously display a sign stating in capital letters not less than three inches in size, "Horsemeat Sold Here." 3. A permit must be obtained from the local medical health officer. No horsemeat stores are now operating in Saskatchewan; it's understood the provincial government has received several applications.

* * *

Alberta

Pipeline Start: Work started last week on a pipeline to carry the first natural gas supply outside of Alberta. Canada-Montana Pipeline Co. will build the 56-mile pipeline, authorized by the Alberta Legislature last April as a defense production emergency, from the southeastern Alberta Kakowi Lake field to the Anaconda Copper Mining Co.'s plants at Butte, Montana. The province will be paid 15% royalties; under the agreement Alberta towns along the way will be allowed to draw gas for their own needs.

Vehicle Testing Program: Alberta's first province-wide testing program is under way with a view to checking more than 150,000 cars and motorcycles in the province. Service stations and garages are acting as official testing stations (875 have been appointed). Initial response has been disappointing however. "Motorists appear to be waiting until we set a deadline," said one government official. Tested and approved vehicles get windshield stickers provided to the volunteer garages by the Government; charge for testing by garages is limited to $1. Seven full-time government inspectors are checking on testing stations.

* * *

British Columbia

Better Lumber Sales: Sale of B.C. lumber to the American Atlantic coast market, which has been depressed for the past few months, has begun to show a pickup. Intercoastal trade hit a new low a few months ago when outbound cargoes fell to practically nothing. Now it's expected to come back to at least half last year's high level, if not better. Lumbermen are working full shifts anyway on recent large U.K. orders. One large shipper reports that most coastal mills have contracted for at least 45% of their cut for the next year. Added to the pickup in U.S. business and the U.K. is a strong demand from South Africa, Australia and New Zealand. Domestic housebuilding business is down though.

Great-West Life Assurance Sets Records For Half Year

These are good times for the sale of life insurance, states vice-president and managing director H. W. Manning of the Great-West Life Assurance Co. in his semi-annual report for the first half of 1951.

Total new business written by Great-West Life for the period was $161 millions ($128 millions in 1950), a new high record and greater than the total volume of any one year prior to 1946.

Of the total new business, ordinary insurance and annuities accounted for $98 millions, up 12%. Sales of group insurance and group annuities rose 53% to $63 millions.

Total assets rose $13 millions in the six months to $398 millions, with mortgages and property investments accounting for over $100 millions of the total. Interest rate earned on invested assets was 3.75% gross.

Total business in force at the end of June was $1,785 millions, a gain of $114 millions for the half-year a record six-months addition. Of this total ordinary insurance and annuities amounted to $1,381 millions, and group business to $404 millions.

The company considers investment of funds, only in issues designed to increase production or aid in the development of defense industries or for purposes essential to the economy of Canada and the United States.

The rise in interest rates if sustained will have a favorable effect on the cost of insurance Mr. Manning declared.

The company writes accident and sickness insurance and annual premium income of this branch is running at over $6 millions annually.

Company's mortality experience continued favorable in the six months, showing a material improvement over 1950's favorable rate, the report states. While credit is given to improvement in the over-all health of the general public, careful selection and classification of risks is also noted.

Unit costs have declined said Mr. Manning.

He commended the government's action to curb inflation citing every life insurance policy sold as a blow against inflation.

NEW NORZONE MINES reports that under the recent offering of rights to shareholders to subscribe for shares at 10c a share, 734,768 shares were taken up and balance of the offering—431,898 shares—was taken up at the same price by the underwriters. Issued capital is 4,666,666 shares, leaving 333,334 shares in the treasury.

Grain Prices

Chicago Futures
Week to July 30, 1951

Crop year from Aug. 1, 1950 High	Low		High for week	Low for week	Close July 30
		Wheat—			
2.57¾	2.32	Sept.	2.35⅞	2.32	2.35⅞
2.59¼	2.35½	Dec.	2.39¼	2.35⅞	2.37⅞
2.58⅝	2.38¼	Mar.	2.42¼	2.38¼	2.42¼
2.48⅞	2.38	May	2.42	2.38	2.41⅞
		Corn—			
1.89⅝	1.63⅞	Sept.	1.73½	1.69½	1.69⅞
1.84½	1.54	Dec.	1.64¼	1.59⅞	1.60¼
1.68¾	1.59¼	Mar.	1.67¼	1.63⅞	1.64¼
1.69¼	1.62	May	1.69	1.64⅞	1.65½
		Oats—			
.98⅞	.72½	Sept.	.77⅞	.76¼	.76⅞
.99¼	.77⅝	Dec.	.80½	.79¼	.79⅞
.88	.80⅜	Mar.	.83¼	.81⅞	.82½
.88⅞	.80	May	.83⅜	.82	.82⅝
		Rye—Old Style			
1.99	1.64	Sept.	1.73⅜	1.68¼	1.68⅞
2.00¼	1.65	Dec.	1.76¼	1.71⅞	1.72
		Rye—New Style			
1.99⅞	1.64¼	Sept.	1.75	1.69¼	1.70
2.01	1.65	Dec.	1.77¼	1.71¼	1.72
1.79	1.73	May	1.79	1.73	1.73½
		Soybeans—			
		Sept.	2.86⅞	2.79½	2.84⅞
		Nov.	2.68	2.63⅞	2.67½
		Jan.	2.71¼	2.66½	2.71¼
		Mar.	2.75	2.68⅞	2.75
		May	2.77	2.71⅞	2.77

Chicago Cash

	For Week July 30 High	Low	Prev. week High	Low
Corn—				
2 Yell.	....	....	1.78½	1.76½
Oats—				
1 H. Wh.	.81½	.80½	.84½	.80

Winnipeg Futures
Week to July 30, 1951

Crop year from Aug. 1, 1950 High	Low		High for week	Low for week	Close July 30
		Oats—			
1.00¼	.76¼	July	.82	.80⅞	.80⅞
.95½	.78½	Oct.	.82¼	.81	.81¼
.88⅞	.77¼	Dec.	.81¼	.79⅞	.82½
		Barley—			
1.53¼	1.10⅞	July	1.25⅞	1.20	1.21
1.42¼	1.12½	Oct.	1.20⅞	1.17	1.18½
1.20⅞	1.11⅞	Dec.	1.17⅞	1.13⅞	1.14⅜
		Rye—			
2.31¼	1.50⅞	July	2.17	1.79¼	1.79½
2.12	1.65⅜	Oct.	1.80	1.70	1.74
1.90⅞	1.63⅞	Dec.	1.75¼	1.67½	1.70
		Flax—			
5.09	3.68	July	4.21⅞	4.08¼	4.19
4.98½	3.85	Oct.	4.09	4.01¼	4.04⅞
4.25	3.82	Dec.	....	....	....

Winnipeg Cash

	High For Week July 30	Low For Week July 30	High Prev. week	Low Prev. week
Oats—				
2 C. W.	.81¼	.78	.82	.81
3 C. W.	.78¼	.77⅞	.79	.78
Barley—				
1 Feed	1.21¼	1.16	1.19¼	1.13½
2 Feed	1.14⅝	1.10⅞	1.12¼	1.08¼
1 Malt	1.27¾	1.21½	1.24⅞	1.18⅞
Rye—				
2 C. W.	2.12	1.79¼	2.11	1.94½
Flax—				
1 C. W.	4.20½	4.12	4.08	4.04⅞

NOTICE
TO SHAREHOLDERS OF POWELL RIVER COMPANY LIMITED

At the recent Extraordinary General Meeting of Shareholders of this Company, the three for one subdivision of the stock was unanimously approved to take effect on October 1st, 1951, when the new certificates will be available.

The necessary forms for exchanging the old share certificates for the new will be sent out to registered shareholders about the middle of September. Share warrant holders will be notified by newspaper advertisement advising where the necessary forms for exchange of share warrant certificates may be obtained.

Shareholders are requested not to send in their certificates for exchange until they have received the necessary forms or advertisement.

The September 15th dividend will be paid on the basis of the present issued capital stock, that is before the three for one subdivision.

Powell River Company Limited
VANCOUVER, B.C.
JULY 27, 1951.

Aug. Dividends $24.4 Millions

Dividend payments in August (as declared to July 26) amounted to $24,421,033 as against $15,804,633 in same month last year. Payment by CPR of 75c a share on the common as against the same payment in March last year accounts for practically all of the higher payment.

Payment of $18,739,172 by 102 industrial stocks will be up sharply from the $10,149,546 paid out by 108 stock issues last August. Six mining companies will pay out $2,421,104; seven companies paid out $2,097,062 last August. One oil company will distribute $125,000 as against $107,919 paid out by two concerns last year. Fifteen financial institutions will pay out $3,135,757; 18 paid out $3,450,136 last August.

Total 1951 payments made or declared to end of August amount to $342,026,909, up from $291,816,532 for same period last year. Following is a list of payments for August, as compiled by The Financial Post from records now available.

Monthly Dividends

	1951 $	1950 $
January	59,569,898	51,732,647
February	31,256,162	14,951,652
March	56,260,892	57,245,007
April	36,791,163	30,072,752
May	11,632,074	9,227,109
June	72,389,572	67,494,207
July	49,706,115	45,288,525
August	24,421,033	15,804,633
Total	342,026,909	291,816,532

Industrials and Utilities

Company:	Rate $	Date	Amount $
Anglo-Can. Tel. p.	.56¼q	1	70,313
Atlas Steel	.25	1	208,606
Ault & Wiborg pf.	1.37½q	1	2,063
Beaver Lumber c.	1.00	1	156,738
Bertram & Sons A	.25	15	12,000
Blue Ribbon pfd.	.62½q	1	10,661
Bowes Co. A	.12½q	15	4,868
Brantford Roofing A	.25q	1	10,879
Do. B	.10	1	4,352
B. C. Forest Prods.	.10q	1	200,000
B. C. Tel. 6% 2nd pf.	1.50q	1	67,500
Caldwell Linen	.20q	1	8,000
Do. 1st pf.	.38q	1	5,700
Do. 2nd pf.	.20q	1	5,000
Can. Foils	.10q	15	10,000
Do. A	.15q	15	15,000
Can. West Cord. A	.12½q	1	4,163
Can. Bronze	.31q	1	49,600
Do. pref.	1.25q	1	9,375
Candn. Car.	.20q	22	73,160
Do. A	.25q	22	100,000
Can. Pac. Rly.	.75	1	10,050,000
Do. pfd.	2%s	1	1,694,324
Can. Utilities 5% pf.	1.25q	15	22,500
Candn. Vickers	.25	15	132,500
Can. Wallpaper A	1.00A	10	23,717
Do. B	1.00A	10	105,529
Cochrane-Dun. A	.20q	15	10,674
Do. pref.	.30q	15	4,863
Conduits Nat.	.40	1	64,320
Consumers Glass	.37½q	31	119,839
Cosmos Imp.	.30q	15	60,000
Crown Cork	.50q	15	50,000
Disher Steel A pfd.	.37½q	1	4,050
Dom. Bridge	.40q	24	205,580
Dom. Fabrics	.20q	1	14,000
Do. 2nd pref.	.37½q	1	7,500
Dominion Malt.	.25q	1	19,700
Do. 5% pfd.	1.25q	1	9,775
Dom. Tar	.37½q	1	165,750
Dom. Wool & W.	.12½q	1	18,410
Dryden Paper	.40q	1	82,000
Dupuis Freres pf.	.30q	15	19,836
Esmond Mills 5% pf.	.25q	1	3,750
Fed. Grain $1.40 p.	.35q	1	52,500
Freiman, A. J.	.12½q	1	10,625
Do. 4½% pfd.	1.12½q	1	9,050
Gen. Steel Wares	.25q	15	77,720
Do. pfd.	1.25q	1	62,500
Gt. West Coal A	.12½q	15	40,200
Do. B	.12½q	15	40,200
Gurney Prod. pfd.	.40q	1	10,000
Hamilton Cut pfd.	1.25q	15	7,500
Holden Mfg. A	.15q	1	4,520
Do. B	.10	1	5,023
Imp. Tob. 4% pfd.	.25q	1	100,000
Interior Brew. A	.13q	1	4,130
Legare 6% pfd.	2.00	12	59,244
Lindsay, C. W. 6½% p.	4.00	12	17,648
M.R.A. Holdings 5% pf.	.31¼q	1	15,625
McArthur, Ch. 5% p.	.25q	1	3,060
McCabe Grain A	.15q	1	6,737
Do. B	.10q+▴.05	1	11,229
Neon Prod. of W.C.	.40s	3	22,110
Northwest Util. 4% p.	1.00q	1	40,000
Ont. Steel Prod.	1.00	15	48,440
Do. pref.	1.75q	15	6,306
Penman's	.75q	15	48,339
Do. pref.	1.50q	1	16,125
Price Bros.	.75s	1	1,643,571
Purity Flour M. p.	.87½q	1	31,255
Quebec Power	.25q	25	138,200
Quinte Milk A	.15q	1	5,775
Reitman's	.25	1	15,000
Do. pfd.	.25q	1	3,250
Royal Oak Dair. A	.15q	15	5,625
St. Law. Flour	.25q	1	11,964
Do. pfd.	1.75q	1	9,680
Scarfe & Co. A	.10q	1	7,000
Do. B	.10q	1	5,250
Shawinigan Water	.30q	25	653,475
Shea's Win. Brew. A	.27½s	15	17,424
Do B	.75s+▴.25	15	223,320
Sher.-Williams c.	.25q	1	56,180
Shirriff's 5% pfd.	.25q	1	3,504
Sidney Roof A	.22½q	1	11,250
N. Slater	.45q	1	22,230
South. Can. Pwr.	.40q	15	160,000
Stand. Fuel 4½% p.	.56¼q	1	11,250
Stanley Brock A	.15q	1	4,703
Do. B	.10q	1	6,270
Steel of Canada	.20q	1	460,000
Do. pref.	.20q	1	259,852
Union Gas	.25q	1	176,550
Universal Cooler pf.	1.50q	15	1,942
Vancouver Pac. Pap. A	.12½q	1	1,250
Vulcan Iron pf.	.25q	1	7,500
Waterous A	.20q	15	7,590
Wesley Mason pfd.	1.37½	1	9,588
Zellers	.15q	1	93,750
Do. 5% pref.	.31¼q	1	24,392
Do. 6% pref.	.37½q	1	15,000
Total			18,739,172
Mining Companies			
Broulan Reef	•.03	20	154,373
East Sullivan	.25	15	1,062,500
Inter. Nickel pref.	†1.75q	1	433,488
Leitch Gold	.02	15	58,250
New Calumet	.07½q	17	262,493
Sullivan Cons.	.10	16	400,000
Total			2,421,104
Oil Companies			
Canadian Oil c.	.25q	15	125,000
Total			125,000
Financial			
Bank of N. Scotia	.35q	1	420,000
Can. Bk. Commerce	.25q	1	750,000
Can. In. Fd. sp. & ord.			
Dom. Bank	.25q	1	175,000
Federal Fire Ins.	1.00s	15	8,000
Hydro El. Sec.	.25	1	369,098
Do. 5% pfd. B	.25s	1	162,566
Imperial Bank	.30q	1	210,000
Inter. Holdings	.75	15	732,393
Nat. Life	.62½q	1	156,250
Northern Trusts	.40s	1	20,000
Resources of Can.	.06q	15	10,173
Sherbrooke Trust	1.50q	1	4,500
United Corp. A	.38q	15	19,850
Do B	.35q	31	83,927
Wellington Fire	1.75s	15	14,000
Total			3,135,757
Grand total			24,421,033

q—Quarterly. s—Semiannually. †N. Y. funds. •Initial. ▴Extra. ♦On redemp. *On arrears.

COMPANY REPORTS

INTERNATIONAL BANK FOR RECONSTRUCTION & DEVELOPMENT net income for the fiscal year ended June 30, 1951 was $15,156,947, up 10.6% from preceding year's net of $13,698,398.

Gross income, exclusive of $6,388,543 set aside in special reserve, amounted to $28,202,542 ($25,464,065 for the preceding year). Expenses of $13,045,595 included $4,843,447 for administration and $8,202,148 bond interest and other financial expenses.

Total reserves were $62,280,965 at June 30, 1951.

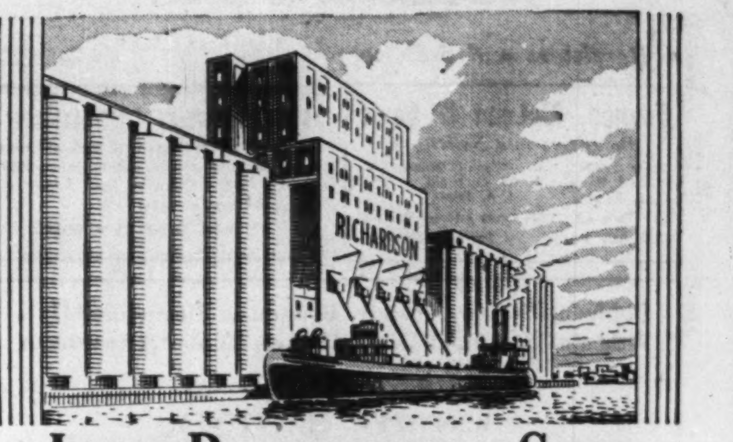
In the fiscal year the Bank made loans totaling $297,080,000, bringing total commitments at June 30 to $1,113,525,000. Repayments of loan principal, all received on schedule, amounted $5,549,135, bringing total repayments to $6,101,271. In addition, $3,000,000 principal amount had been repaid to others than the Bank in connection with bonds sold by the Bank.

At June 30, 1951 the Bank had 49 member countries and a total subscribed capital of $8,338,500,000.

In the past fiscal year the Bank sold two issues of its own bonds: $50,000,000 of 3% 25-year bonds in the United States and £5,000,000 3½% 20-year sterling stock in England. Also early in July 1951 the Bank sold an issue of 3½% 12-year Swiss franc bonds in Switzerland in the principal amount of Sw. fr. 50,000,000 (U. S. equivalent about $11,600,000).

BELDING CORTICELLI LTD'S 74,950 subdivided common shares and 86,530 subdivided preferred shares, $10 par, were called for trading on the Montreal Curb Market July 25. The old common and preferred were removed from the list July 24.

ALUMINUM CO. OF CANADA LTD. reports a total of 531,649 4% cumulative redeemable preferred shares were outstanding.



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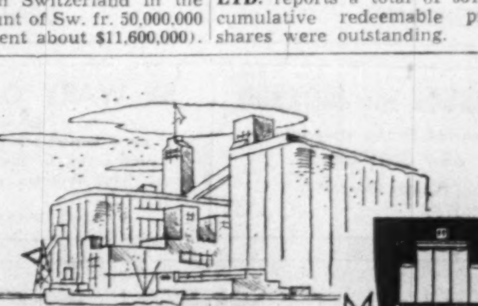

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Fire Losses in Ontario Lower in 1st Half Year

Number and Monetary and Insured Values all Decrease From 1950—First Quarter Shows Small Increase in Number, Values Down

Ontario in the first half of 1951 shows substantial declines in both number of fires and monetary value both total and insured property only.

Most of the decrease in values took place in the second quarter of the year, the drop being over $2 millions in both actual and insured loss values. Number of fires in the second quarter was above that of 1950.

Drop in values in the second quarter is partly because fires with losses of over $50,000 totaled 18 in 1950 but only eight in the same period of 1951. The largest fire in the second quarter of 1951 caused a loss of $274,513 and in 1950 largest fire was $1,264,407.

Loss Cycle at Peak?

Decrease in number and value of fires encourages the hope that the fire loss cycle has about reached its peak, as this is the second quarter for which the monetary loss has shown a decrease.

Here are the figures:

ONTARIO FIRE LOSSES

	No. of fires	Total loss	Insur. loss
Second Quarter			
1951	4,895	$4,459,121	$3,772,758
1950	4,870	6,884,851	5,895,048
Increase	25	......	......
Decrease	....	2,425,730	2,122,290
Six Months to June 30			
1951	7,759	8,924,511	7,506,583
1950	8,330	11,760,100	9,692,333
Increase	....	......	......
Decrease	571	2,835,589	2,185,750

Large fires with losses over $50,000 in the three months ended in June were: flour and feed store, Guelph, $274,518; men's wear store, Peterborough, $253,228; dance hall and auto storage, Mersea Twp., $250,000; wax manufactory, Toronto, $153,314; paper box factory, Niagara Falls, $123,-961; food products plant, Markdale, $100,000; warehouse, Toronto, $75,000; hotel, Sudbury, $75,000.

Fire fatalities in the second quarter totaled 28 including 13 men, four women and 11 children. Total in the same quarter of 1950 was 33.

Fire fatalities in the first six months of 1951 were 74 (75 in 1950).

The table below gives classification of fire losses by type of property involved in the fires and the causes of the fires.

CLASSIFICATION OF PROPERTY
April, May and June, 1951

	No. of Fires	Total Loss	Insurance Loss
Dwellings:			
Brick, etc., protected	1,698	$450,523	$400,418
Frame, etc., protected	1,891	497,867	422,254
Brick & frame, unprotected	60	76,388	51,911
Farm risks	365	472,958	320,052
Churches	13	18,756	13,181
Hospitals, sanitaria & asylums	11	1,302	1,302
Public halls	1	40	40
Schools	9	13,897	11,797
Institutional buildings	15	9,273	9,273
Warehouses	23	94,218	88,891
Retail store & office bldgs. (bldgs. only)	200	364,036	292,168
Hotels (bldgs. only)	27	43,370	43,370
Retail stores & office bldgs. (contents only)	169	405,809	336,284
Hotels (contents only)	38	42,649	40,588
Food & food product plants, brew., distill, bake., etc.	29	142,492	131,592
Flour, cereal mills & grain elevators	5	68,461	44,698
Service stations & oil risks (not garages)	19	71,312	67,496
Saw & Shingle mills	4	34,743	28,850
Lumber yards, pulpwood, standing timber	7	22,202	20,452
Woodworks (excluding sawmills)	11	18,655	18,655
Metal works, garages, foundries	82	414,422	358,699
Mining risks	2	125,150	125,150
Railway, traction properties, power plants, gasworks, etc.	8	25,281	23,331
Miscellaneous manufacturing	45	448,360	416,523
Miscellaneous nonmanufacturing	106	489,530	398,356
Sprinklered risks	56	107,427	107,427
	4,895	$4,459,121	$3,772,758

CLASSIFICATION OF CAUSES

	No. of Fires	Total Loss	Insurance Loss
Chimneys & flues	183	$87,704	$54,290
Stoves & furnaces	414	225,440	181,537
Hot ashes, coals & open fires	134	46,432	34,379
Sparks on roofs—wooden shingles	73	49,060	43,320
—fabricated roofs	....	......	......
Exposure fires	1	2,195	1,772
Smoking	1,767	216,217	202,946
Matches	282	66,913	54,251
Lights (other than electric)	136	137,920	118,729
Electricity	598	270,983	238,059
Lightning—unrodded buildings	47	28,304	27,284
—rodded before 1922	....	......	......
—rodded since 1922	....	......	......
Spontaneous combustion—in barns	1	100	100
—all others	29	30,433	29,698
Petroleum and its products	248	322,889	275,928
Incendiarism	15	137,554	133,054
Miscellaneous	383	199,312	152,449
Losses under supplemental contracts	....	......	......
Unknown	584	2,637,666	2,224,962
	4,895	$4,459,121	$3,772,758

HON. WILFRID GAGNON
has been appointed a director, Alfred Lambert Inc.

ONE VIEW OF THE MARKET:

Here Are Stocks Traded By Excelsior Life in 1950

Canadian life insurance companies have an investment of $86 millions in Canadian stocks. As a service to its readers, The Financial Post presents here one of a series reporting on the holdings of individual companies, and changes in its portfolio of Canadian preferred and common stocks in the past year.

The Excelsior Life Insurance Co. in 1950 decreased its holdings of preferred stocks from 2.9% of invested assets to 2.8% and maintained its holdings of common stocks at 2.7% of invested assets. Stocks were carried at a total value of $2,823,615 on the balance sheet at Dec. 31, 1950.

During the year, in its holdings of Canadian stocks, Excelsior Life:

—added five new preferred stockholdings and three new commons;

—increased its holdings in two preferred stocks and five common stocks;

—reduced its holdings in four preferred stocks;

—eliminated three preferred stocks and two common stocks from its portfolio.

New preferred stock holdings at Dec. 31, 1950, included: Dominion Foundries & Steel Ltd. 4½%, Hamilton Cotton Co. 5%, Shawinigan Water & Power Co. 4½%, St. Lawrence Paper Mills 2nd pref. and Winnipeg Electric Co. 5%.

New common stock holdings at Dec. 31, 1950, included: Distillers Corp.-Seagrams, Gatineau Power Co. and Powell River Co.

Holdings were increased of Abitibi Power & Paper Co. $1.50 preferred, Simpsons Ltd. 4½% preferred, Bell Telephone Co. of Canada common, Dome Mines Ltd. common, Imperial Tobacco Co. of Canada common, Canada Permanent Mortgage common and Toronto General Trusts Corp. common.

Holdings were reduced for Fraser Companies 4¾% preferred, Industrial Acceptance Corp. 4¼% preferred and 5% preferred and Steel Co. of Canada 7% preferred.

Deletions from the portfolio included Canadian Canners Ltd. preferred (redeemed), Ingersoll Machine & Tool Co. 4% preferred, Price Brothers preferred, Dominion Stores Ltd. common, and Goodyear Tire & Rubber Co. of Canada common.

Holdings of Canadian preferred and common stocks at Dec. 31, 1950, together with the change in number of shares held during the preceding year shows as follows:

HOLDINGS OF CANADIAN PREFERRED & COMMON STOCKS

	Held at Dec. 31 1950 No. of Shares	Incr. or Decr. (—) Since 31/12/49
Preferred Stocks:		
Abitibi Pwr. & Pap. $1.50	2,500	+500
Aluminum Co. of Can. 4%	1,000	......
Anglo-Can. Tele. 4½%	500	......
B. C. Elec. Co. 4%	200	......
Do. 4¾%	500	......
Can. Packers $1.50 A	635	......
Can. Car Fdry 5% A	1,500	......
Can. Celanese $1.75	300	......
Can Industries 7%	860	......
Dom. Fdries & Steel 4½%	200	+200
Dom. Malting 5%	250	......
Dom. Tar & Chem. $1	1,000	......
Fraser Cos. 4¾%	409	—91
Gatineau Power 5%	600	......
Goodyear Tire & Rubber of Can. 4%	841	......
G Mackay & Stores 5% A	1,000	......
Hamilton Cotton 5%	200	+200
H. Smith Paper $2	1,000	......
Imp. Tobacco of Can. 6%	6,000	......
Do 4%	2,000	......
Indust. Accept. 4¼%	35	—60
Do 5	85	—20
Inter. Metal Ind. 4½%	500	......
Inter. Milling 4%	514	......
Inter. Nickel of Can. 7%	250	......
Loblaw Groceterias A	1,700	......
Moore Corp.	1,000	......
N. S. Light & Pwr. 4½%	250	......
Northwestern Util. 4%	200	......
Prov. Paper 4%	500	......
Saguenay Power 4¼%	600	......
Shawinigan W. & P. 4%	1,000	......
Do. 4½%	500	+500
Simpsons Ltd. 4½%	600	+200
St Law. Pap. M. 2nd pf.	640	+640
Steel Co. of Can. 7%	4,000	—500
Western Grocers $1.40	500	......
Geo. Weston Ltd. 4½%	500	......
Winnipeg Electric	250	+250
Zellers Ltd. 6%	1,000	......
Common Stocks:		
Bell Telephone of Can.	3,000	+170
Brit. American Oil	3,000	......
Can. Westinghouse	600	......
Cons. Mng. & S. of Can.	500	......
Consumers Gas of Tor.	300	......
Distillers Seagrams	500	+500
Dome Mines Ltd.	2,000	+1,000
Dominion Glass Co.	500	......
Gatineau Power Co.	1,000	+1,000
H.-Walker-Good. & W.	2,000	......
Hollinger Cons. Gold	1,000	......
Imperial Oil Ltd.	1,000	......
Imp. Tobacco of Can.	4,000	+1,000
Inter Nickel of Can.	2,000	......
Lake Shore Mines	1,000	......
McIntyre Porc. Mines	500	......
National Brew.	1,300	......
Powell River	550	+550
Bank & Trust Companies:		
Bank of Montreal	3,000	......
Bank of Nova Scotia	2,000	......
Bank of Toronto	2,000	......
Can. Bank of Commerce	2,000	......
Dominion Bank	1,070	......
Imp. Bank of Can.	2,000	......
Royal Bank of Can.	2,000	......
Permanent Mortgage	1,125	+125
National Trust Co.	300	......
Tor. Gen. Trusts (old stk.)	414	+214

Of the company's total invested assets 73.1% were in bonds and 13.9% in mortgage investments while stock investments totaled 5.5% of the whole. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1950 %	1949 %	1948 %	1947 %
Bonds:				
Government	43.8	53.0	57.7	66.3
Municipal	9.1	5.6	7.9	5.7
Other	18.2	17.8	13.4	10.8
Total	73.1	76.5	79.0	82.7
Mortgages:				
Farm	.1	.1	.1	.3
Urban	13.8	11.0	7.7	3.8
Total	13.9	11.1	7.8	4.1
Policy Loans	5.4	5.3	5.7	5.7
Stocks:				
(a) Preferred	2.8	2.9	2.7	2.8
(b) Common	2.7	2.7	2.7	2.9
Total	5.5	5.6	5.4	5.7
Real Estate	1.1	1.1	1.2	1.4
Other	1.1	.3	1.0	.4
Grand Total	100.0	100.0	100.0	100.0

Diabetics Given Better Break By Life Insurance Companies

Canadian diabetics are getting better breaks in life insurance opportunities today. Eleven years ago they couldn't buy insurance; today they not only can, but they are coming in for more and more attention from life companies.

It's a big field from a social standpoint and from a standpoint of hard cash. Actual statistics are woefully lacking. But Dr. A. L. Chute, of the Sick Children's Hospital in Toronto, recently completed a survey in Ontario which established that out of the 1,000 people examined, 1.3% had diabetes—varying in the age breakdown up to 5% over 40 years of age.

Expanded nationally, this indicates that in our population of 14 millions, 182,000 have diabetes.

Latest announcement of new insurance opportunities for this group comes from Great-West Life Assurance Co. They have a new plan which provides a substantially lower rating to diabetics who have had the disease for five years or less.

Previously, the company's practice was to charge a flat rate regardless of the duration of the disease. In addition, Great-West has extended its coverage available to diabetics to include level-term riders, family-protection riders and certain regular-term plans. New rates are available to those between the ages of 25 and 60 inclusive.

Endowment plans of less than 29 years duration are also included in the new rating procedure.

Risk Lowered

Actuarial principle behind the new scheme appears to be in part that since diabetics age faster than others—they're subject to the infirmities of old age, at an earlier age—the risk is lowered where the client has had the disease for five years or less in the over 25 years of age bracket. The disease contacted in childhood is tougher on the patient than if he gets it in later life.

Thus, the "later life" group are better risks.

A difficulty that enters here is in the establishment of the exact date, in many cases, when the disease was actually contracted. Like other diseases, patients can have the disease for some time before finding out about it. With diabetes, medicine has little chance of finding out the time of first infection.

The new plan, however, will "enable a considerably larger number of diabetics to enjoy the benefits of life insurance," according to Great-West.

Premiums for ordinary life, limited-payment life plans and endowments with durations of 30 years and over have been worked out this way by the company under the new procedure:

Extra premiums per $1,000 (minimum policy $5,000)

Ages	Duration of Disease 1-5 Years	6-15 Years	16-20 Years
25-40	$ 7.50	$10.00	$15.00
41-50	Add 50 cents to above for each age aver 40		
50	12.50	15.00	20.00
51-60	Add $1.00 to above for each age over 50		
60	22.50	25.00	30.00

ENDOWMENTS* WITH DURATIONS UP TO 29 YEARS

Calculate extra by Life schedule and deduct amount shown below:

Endow. Period	Duration of Disease 1-5 Years	6-15 Years	16-20 Years**
10-19 yrs.	$3.50	$5.00	$7.50
20-29 yrs.	2.50	3.00	5.00

Example: Endowment 15, age 48, diabetes for 3 years—extra premium is life rate for age 48 of $11.50 less endowment adjustment of $3.50 for a net extra of $8.00.

*For Pension plans the year the cash value reaches $1,000 determines the Endowment duration.

**Where duration of disease exceeds 20 years individual consideration will be given to risk on short term endowment plans.

These Were Pioneers

Pioneer work in the field of life insurance for diabetics has been done by Manufacturers Life Insurance Co. both in the U.S. and Canada. They first offered life insurance to diabetics in 1940 in Canada and seven or eight years ago started to expand coverage.

Manufacturers originally had a flat (higher) rate. Now they have a varied scale, still higher than ordinary life rates, but adjusted more accurately to the type of insurance bought, with attention to the risk involved.

For example, the increased premium for the diabetic on an endowment of life income policy is less than the corresponding increase on whole life insurance.

Reason: the risk portion of the endowment premium is lower than the risk premium (the entire amount) of whole life, since the policyholder is contributing to policy reserve, tantamount to reducing the insurance company's real liability.

On term insurance, Manufacturers follows a procedure of tacking five years onto the (premium) age of the insured to meet increased risk in the case of diabetic policyholders.

Practice among a dozen other companies, contacted by The Financial Post, indicated considerable variation.

Two have been working very closely along the lines developed by Manufacturers Life, six set no definite scale of surcharges, each case being considered on its merits, four do not insure diabetics directly, but, of these four, three will accept reinsurance of diabetics from other companies, two will place applications they receive from diabetics with companies accepting such risks, the premium rate being set by the insuring company.

Practically all companies accepting diabetics have liberalized their practice considerably in recent years as experience has dictated, mainly in underwriting regulations, types of policy issued, etc.

Other companies claim experience gathered so far is insufficient to justify them entering the field as yet.

Insurance men admit that insurance principles for diabetics are still under study, that they're barely out of the fundamental stage. But wider activity in the field, wider coverage, is evident both here and in U.S.

YUKENO MINES reports an additional 50,000 shares will be taken up at $1 a share comprising part of Aug. 12 option installment, under underwriting and option agreement with Federal Trading & Agency Co. Balance of installment, comprising 150,000 shares at $1 will be extended to become exercisable as follows: 50,000 shares by Nov. 12; 50,000 shares by Jan. 12, 1952 and 50,000 shares by March 12. Feb. 12 installment will be extended to May 12. Upon issue of the block of 50,000 shares, issued capital will be 4,145,166 shares, leaving 845,834 shares in treasury.

STEEP ROCK IRON MINES reports an additional 2,000 shares have been taken up at $3 a share under option granted to purchasers of company's series "B" preference shares. Issued capital is 7,008,111 shares, leaving 2,991,889 common shares in treasury.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WABASSO COTTON CO., Three Rivers, Que., net profit for year ended April 28, 1951, was $663,-922, up 9.2% from previous year's $608,185.

The remaining $1,000,000 of series A 4½% first mortgage bonds matured and were paid off, and the mortgage discharged.

To finance construction and purchase of additional manufacturing facilities, arrangements were completed for the private sale of $2,000,000 3½% serial debentures maturing $200,000 in each of the next 10 years. These funds will also assist in maintaining an adequate working capital position, says President C. R. Whitehead.

INCOME ACCOUNT

Years Ended:	Apr. 28 1951	Apr. 29 1950
Net earnings	$2,433,399	$2,042,570
Less: Depreciation	698,682	556,958
Bond interest	45,466	45,000
Replace. res.	220,000	252,427
Debent. exp.	15,329	......
Res. for taxes	790,000	580,000
Net profit	663,922	608,185
Less Dividends	349,515	349,515
Surplus for year	314,407	258,670
Times Interest Earned:		
Before deprec.	53.18	45.39
After deprec.	37.82	33.01
Earnings per Share and Dividend Record:		
Common	$1.90	$1.74
Paid (new)	1.00	1.00

CONDENSED BALANCE SHEET

As at:	Apr. 28 1951	Apr. 29 1950
Cash & Dom. bds.	$3,139,040	$1,780,498
Accts. rec.	1,596,521	1,007,225
Inventories	2,796,580	1,826,954
Total curr. assets	7,532,141	4,614,677
Investments	222,160	237,322
Misc. assets	115,415	75,105
Fixed assets*	3,990,019	3,340,327
Total assets	11,859,735	8,267,431
Bank loan	758,000	......
Accts., tax., etc., pay.	2,297,098	1,298,429
Serial bds. due	200,000	553,050
Total curr. liab.	3,255,098	1,851,479
Def. liab.	191,420	48,540
Replace res.	1,162,221	†1,200,000
Funded debt	1,800,000	......
Research, etc.	1,000,000	1,000,000
Capital stock	2,000,000	2,000,000
General res.	......	500,000
Surplus	2,450,996	1,667,412
*After depr. of	10,823,242	10,260,386
Working capital	4,277,043	2,763,198

†Includes $947,573 prior years' depreciation not allowed by Income Tax Dept.

U. S. $ Value in Canada

Daily at Noon as Reported by The Bank of Canada

Week Ended—July 27

Mon.	$1.05 30/32	Thurs.	1.05 29/32
Tues.	1.06	Fri.	1.05 27/32
Wed.	1.05 30/32	Av.	105 148/160

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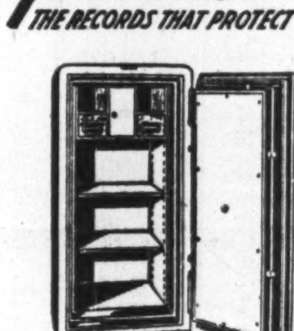

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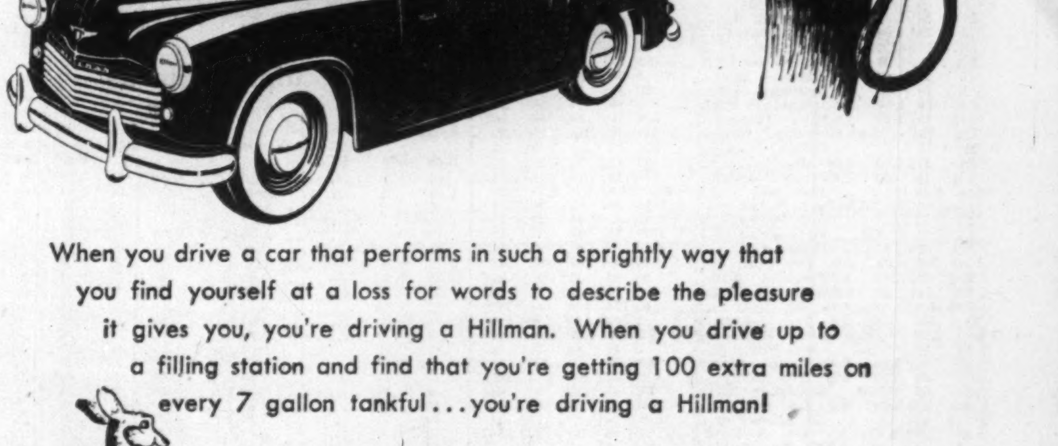

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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JULY 27

Range 1951 High	Low	Div. R'te $	Y'ld July27 %	Company	Sales	Last July 20	Week end. July 27 H	L	Cl'se
22½	18¼	**.25	..	Abitibi	13,050	19¼	19¼	19	19¾
25¾	24¼	1.50	5.9	Do. $1.50 pref.	2,470	25¼	25¾	25¼	25¾
8¾	6	**.37½	..	Acadia Atlan.	830	6¼	6¼	6¼	6¼
105	101	5.00	5.0	Do. 5% pref.	100	101	101	101	101
21	18	1.20	6.2	Do. A pf.	490	19	19¼	19	19¼
12	9	.60	5.7	Agnew Surp.	655	10½	10½	10½	10½
4.50	1.50	•	...	Albt. Dist.	2700	3.00	3.10	2.90	3.10
4.25	1.80	•	...	Do. V.T.	1525	2.85	3.00	2.90	2.90
35½	28		...	Algoma Steel	795	33	34	33	34
26½	23	1.00	4.1	Alum of Can p	490	24¾	24½	24	24½
107¼	91	**2.55▲	..	Aluminium	2955	97¾	97¾	96¼	97
14	7	†.30	..	Amal. Electric	153	10	10¼	10	10¼
15¼	7	.40	3.8	Andian Nat.	10	10¼	10¼	10¼	10¼
33¼	31¼	**.45	..	Ang. Cdn. Pulp	480	32¼	32¼	32	32¼

Range 1951 High	Low	Div. R'te $	Y'ld July27 %	Company	Sales	Last July 20	Week end. July 27 H	L	Cl'se
12¾	10	.80	7.6	Harding Carpet.	430	10½	11	10½	10½
41	30¾	†1.00	..	Hayes Steel	25	31	30¾	30¾	30¾
12	10	1.00	9.1	Hendershot Pap.	25	11	11	11	11
31	24½	1.40	4.7	Hinde & Dauch	125	27½	31	30	30
10¼	9	.50	5.0	Horner, F. W. A	15	9¼	10	10	10
110	67	3.00	3.1	H. Smith Paper	962	97¼	98	94	97¼
50¼	43	2.00	4.4	Do. Pref.	100	47¼	46	46	46
5.25	3.50	.25	5.9	Hydro Electric.	300	4	4.20	4.00	4.20
36¼	29	1.20+†.20		Imperial B	985	31	32	30	31
39¾	28¾	.60	1.6	Imperial Oil	16501	35¼	38¼	35¼	38
13¼	10¾	.50+**.10		Imperial Tob.	4690	11	11	10¼	10¾
25¾	23	1.00	4.3	Do. 4% pref.	145	23¼	23¼	23¼	23¼
7¼	6	6%	4.6	Do. 6% pref.	800	6¾	6¼	6¼	6¾
33¼	27	2.00+†1.00		Indust. Accept	1060	32¼	33	32¼	33
87	82	4.25	5.2	Do. 4¼% Pref.	20	82	82	82	82
35	31	1.60	4.8	Do. 5% cc p.	5	34¾	33¼	33¼	33¼

Range 1951 High	Low	Div. Rate $	Yield July 27 %	Company	Sales	Last July 20	Week Ending July 27 High	Low
.55	.20	.....	....	Belle Chib.	2,000	.20	.21	.20
.70	.30	.....	....	Bellekeno.	22,150	.33	.40	.32½
.58	.37	.....	....	Bevcourt.	5,800	.45	.49	.45
.07	.03	.....	....	Bidgood.	2,100	.04½	.04½	.04½
.21	.10½	.....	....	Bobjo.	12,500	.13	.14½	.13
.06½	.02½	.....	....	Bob's Lake	2,000	.03	.03	.03
.67	.45	.....	....	Bonetal.	8,000	.60	.60	.58
.09	.03	.....	....	Bonville.	2,000	.04½	.05	.05
.47	.06	.....	....	Bordulac.	269,400	.27	.33	.26
.14	.02	.....	....	Bouscadillac	3,000	.07	.07	.06
.15	.05	.....	....	Bouzan.	1,000	.05	.05	.05
.13	.07	.....	....	Boymar.	5,000	.08	.08	.07½
8.00	5.50	.40	6.4	Bralorne.	2,121	6.10	6.25	6.05
.17	.09	.....	....	Brewis.	25,500	.09½	.13	.09½
1.25	1.19	**.03	....	B'lan Reef.	15,700	1.20	1.22	1.20
.12	.08½	.....	....	Buffadison.	500	.09	.09	.09

BUSINESS BAROMETERS

	JUNE	MAY	APR.[9]	MAR.	Year Ago
GOVERNMENT FINANCE (millions of $)					
▪Dom. total revenue	295.4	353.0	218.3	....	195.2
▪Dom. total expend.	234.4	199.1	96.7	....	176.3
MERCHANDISING (% ch. from yr. earlier)					
▪Dept. store sales (3) week July 21	+1	+4.1	+11	+8	....
Country store sales (3)	....	+18	+14	+16	....
Retail store sales (3)	....	+13	+13	+19	....
FINANCE					
Divd. pay. index (1) (5)	232.1	233.5	232.8	231.0	212.0
Money supply (millions $)	....	4,754	4,777	4,669	4,479
NEWSPRINT CAPACITY					
Production ratio (7)	103.4	103.4	102.9	101.0	101.3
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	....	201.2	195.5
Cars (D.B.S.) (1)	....	....	....	164.4	157.5
COST OF LIVING					
D.B.S. (1)	184.1	182.0	181.8	179.7	165.4
EMPLOYMENT INDEX					
▪All industries (6)	....	175.3	173.3	172.3	159.7
▪Payrolls (2) (6)	....	367.1	357.8	353.8	305.3
MANUFACTURING					
▪Inventories (1947=100)	....	166.7	161.8	156.7	135.4
▪Employment (6)	....	189.7	188.8	186.3	172.5

	1951	1950	1951 Jan. 1 to date	1950 Jan. 1 to date	% Change
RAILWAYS (000's omitted)					
▪Carloadings (week July 21)	84.8	80.5	2,289	2,104	+8.8
▪C.N.R. gross rev.	52,924	47,770	299,259	255,953	+16.9
▪C.N.R. net rev.	5,032	6,553	19,748	16,494	+19.7
▪C.P.R. gross rev. (June)	36,438	32,323	206,977	177,305	+16.7
▪C.P.R. net rev. (June)	1,933	3,439	11,681	9,148	+27.7
IRON AND STEEL PRODUCTION (000's omitted)					
Pig iron (tons) (Apr)	211	188	822	715	+15
Steel (tons) (Apr)	312	279	1,218	1,122	+8.5
CONSTRUCTION (000,000's omitted)					
Contracts awarded (June) ($)	382	165	1,178	586	+101
Cement prod., bbls. (May)	1.5	1.4	6.9	6.4	+8.6
AGRICULTURE (000's omitted)					
▪Flour exp., bbls. (June)	974	893	7,209	5,268	+37
▪Wheat exp., bush. (June)	21,586	19,851	80,305	76,709	+4.7
Cattle sales (June) (4)	156	144	721	742	—2.8
Hog sales (June)	423	430	2,392	2,529	—5.7
SEA FISHERIES (000,000's omitted)					
Catch, lb. (May)	142	148	411	401	+27
Landed value ($) (May)	8.5	8.3	17.4	16.1	+8.2
NEWSPRINT 000's omitted)					
Production (June)	464	441	2,749	2,592	+6.1
Exports, tons (June)	446	412	2,524	2,379	+6.1
MINING AND OILS (000's omitted)					
Coal prod. (tons) (June)	1,310	1,363	9,081	9,615	—6
Gold prod. (fine oz.) (Apr.)	363	370	1,456	1,457	—0.1
Petroleum prod. (bbl.) (Mar.)	2,493	2,443	8,290	6,314	+31
ELECTRICAL POWER OUTPUT (000,000's omitted)					
Total monthly Kw.h. (May)	5,131	4,425	24,096	20,542	+17
FOREIGN TRADE (millions of $)					
▪Imports (May)	405.1	290.2	1,742	1,171	+49
Exports (May)	323	287	1,428	1,141	+25
FINANCE (millions of $)[8]					
Bank debits (May)	9,484	7,990	44,316	36,470	+22
Bond sales (June)	198	277	2,310	3,156	—27
Life insurance sales (June)	137	110	761	640	+49
OTHER INDUSTRIAL FACTORS					
Shoe prod. (000) (Apr.)	3,287	2,681	12,478	11,254	+11
▪Cigarette cons. (000,000) (June)	1,357	1,643	8,846	9,132	—3.1

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt, Thomson.
(6) Base period 1939=100.
(7) Includes Newfoundland.
▪New item this week.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
July 30	323,800	1,454,000	301,822	132,333	1,900,000
July 28	......	....	....	......	....
July 27	328,100	1,526,000	357,209	102,225	1,710,000
July 26	290,400	1,741,000	321,589	117,671	1,790,000
July 25	453,600	2,555,000	249,393	221,946	2,250,000
July 24	396,700	2,143,000	130,134	200,640	2,030,000

Stocks Not Traded This Week (Continued)

Bid	Ask	Company	Div. Rate	Last sale	July 27 Bid	Ask
5	..	Do. pref.	1.25	25¾	24½	..
8¾	10	Shea's Brew. A	.55	15	15½	16
12¼	12¼	Shirriff's pref.	1.00	20	..	20
1	..	Sidney Roof.	.90	18¾	18	..
15	..	Silknit	1.00+†.40	26	26½	28
		Do. pref.	2.00	36½	36¼	40
51¼	..	Silverwoods, W. D. pref.	5.00	94½	94½	95
25	..	Simon & Sons	†.90	9¼	..	9
11¼	..	Do. pref.	5.00	88	89½	95
96	99	Simpsons A	2.00	36	35	36
45	..	Slater, N.	1.80	36	34½	36
99	100	Do. pref.	2.12	49	..	49
70	..	Sov. Life 25% pd.	7%	63¾	63½	..
9	9½	Stand. Clay	..	11¾	8	..
15	15¾	St. Pav. pf.	1.25+.50▲▲	27	26½	27
..	..	Stand. Radio A	.40	6¼	5¾	6¾
18	18	Stanley Brock A	.60	7	7½	7¾
16	30	Do. B	.40	6	..	6
3	4	Sterling Trust	♦1.20	30	27	30
[illegible]00	590	Stovel Press pref.	.50	4¼	3	3¼
18¼	21¼	Stowell A pref.	1.50	19	19	..
5¼	5¾	Do. B	..	8	8	..
..	..	Stuart, D. A. pref.	.80+**.[illegible]	[illegible]	[illegible]	—

Company	Div. Rate	Last sale	July 27 Bid	Ask
Vicour	...	.07	.06½	.11
Violamac	...	.70	.72	.84
Wekusko	...	.06½	.07	.07½
West. Ex.	...	.70	.63	.70
Winnipeg R. Tin	...	.02½	.01½	.02½
Winora	...	.04	.04½	.06
Yukon Cons.	†.06	.60	.60	.75
—OIL STOCKS—				
Coastal	...	1.16	1.16	1.25
Command	**.08	.65	.65	..
Marvel	...	.04	..	.04
Nordon	...	.15	.15	.20
So. West Pete.	...	.45	.45	.54
Turner V.	...	.28	.20	..

*U. S. funds. †Paid in 1950. **Paid or payable in 1951. ▪Initial. x Extra. ‡Sh. of Montauban M. for every 10 shs. held.

Stock Redemptions

Company:	Rate	Date	Price
▲Gen. Prod. Mfg. 5% pf.	5.00	Aug. 7	100.00

▲$1,500.
*All outstanding.

Government Bonds

July 31, 1951 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	Mar. 1954 ...	100¾	101¼
3	Nov. 1956 ...	100¾	101
3	May 1957 ...	99¾	100
3	Jan. 1959 ...	99¼	99¾
3	June 1960 ...	98¾	99¾
3	Feb. 1962 ...	97¼	98¾
3	Oct. 1963 ...	97¼	98¼
3	Sept. 1966 ...	97¼	98¼
Dom. of Can Bonds:			
3	June 1958 ...	98¾	99¼
3¼	June 1966 ...	99¾	100¼
3	Perpetual ...	†93¼	94¼
2¾	June 1968 ...	93½	94¾
3¼	Feb. 1952 ser. C ...	101¼	101¾
Can. Nat. W. Ind S.S.:			
5	Mar. 1955 ..	▪111¼	113¾
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ..	▪102¼	104¼
4	Jan. 1962 ..	▪111	113
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	98¼	99¼
4½	Feb. 1956 ..	▪111¾	113¾
4½	July 1957 ..	▪113¾	115¾
5	Feb. 1954 ...	103¾	104¾
4¾	June 1955 ..	▪111¾	113¾
2¾	Jan. 1967 ...	93¼	94¼
2¾	Sept. 1969 ...	94¼	95¾
3	Jan. 1966 ...	96¼	97¼

%	Due	Bid	Ask
Prov. Govt. Bonds			
Alberta:			
2¾	Dec. 1953/57.	96	97
British Columbia:			
4½	Jan. 1969 ..	♦114¼	116¼
5	Sept. 1953 ...	102¼	103¼
3	Dec. 1960 ...	95¼	97
3	June 1964 ...	92¾	94¼
5	Sept. 1959 ..	♦115	117
B. C. Power Comm.:			
3	Oct. 1957 ...	91	92
Manitoba:			
4	Dec. 1957 ..	♦108¾	110¾
5	Dec. 1959 ..	▪115	117
5½	July 1958 ...	108¼	110¼
3	Oct. 1965 ...	92¼	94¼
4½	Dec. 1956 ..	♦110¼	112¼
New Brunswick:			
4½	Apr. 1961 ..	♦106¼	108¼
2¾	June 1966 ...	80¼	82¼
3¼	May 1957 ...	93¾	94¾
3¼	Sept. 1965 ...	89	91
Nova Scotia:			
4½	Nov. 1960 ..	♦111¾	113¾
5	Mar. 1960 ..	♦115	117
3	June 1956/58.	95	96
3¼	June 1963/65.	93¼	94¼
3	June 1956/58.	95	96
2¾	June 1965/68.	85	87

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	89	90
3¼	May 1952/55.	99	100
4	June 1962 ..	▪111¼	113¼
4½	Jan. 1962 ..	♦115¼	117¼
2¾	July 1967/76.	86¼	88¼
3	Nov. 1963/65.	93¾	94¾
5	May 1959 ..	▪116	118
Ont. Hydro Commission:			
4	Aug. 1957 ..	▪108¾	110¾
2¾	Oct. 1965/68.	88	90
3	Dec. 1963/65.	93	94
3	Nov. 1967/69.	90¼	92
Prince Edward Island:			
3¼	Dec. 1961 ...	94¾	95¾
Quebec:			
3¼	Mar. 1954/59.	99¼	100¼
3¾	Feb. 1952/55.	100	101
4¼	Aug. 1958 ...	102¼	104¼
4¼	Jan. 1963 ...	105¾	107¾
3	Sept. 1962/64.	93¾	94¾
Quebec Hydro Commission:			
3	Feb. 1969/73.	89¾	91¼
3	Dec. 1958/60.	95	96
Saskatchewan:			
4	Nov. 1955/60.	99¼	101¼
5	Aug. 1958 ...	106	108
4½	Mar. 1960 ..	♦108¾	110¾
5¼	Oct. 1952 ...	101	102
6	Mar. 1952 ...	101	102
5	Dec. 1959 ..	♦112¾	114¾
3	Mar. 1963 ...	92¼	94¼
3¼	Nov. 1960/62.	94	95¼
3¾	Oct. 1962/65.	98¾	100¼

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N.Y. ▪Payable Can., N.Y., or £

Unlisted Stocks

(Compiled from quotations by Kippen & Co., Montreal and Intercity Securities Ltd., Toronto)

July 30, 1951

	Bid	Ask		Bid	Ask
Algoma C. H. B. Rly. com.	9.75	10.75	Industrial Mtge. Trust	66.00	....
Allens Toronto units	43.50	....	Lambton Golf	140.00	155.00
Anglo, Can. Telephone A.	11.50	12.25	Lambton Loan Sarnia	84.00	88.00
Ash Temple	3.00	5.00	Laprairie Inc. com.	12.00	....
Beauharnois L. H. & Power	24.00	26.00	Do. pfd.	101.00	....
Brand & Millen A	....	.30	Manufac. Life Ins.	415.00	430.00
B. C. Sugar	94.50	97.50	Maple Leaf M. new pfd.	.75	.95
Brockville Trust & Savings	64.00	....	Medical Arts Bldg. Toronto	40.50	....
Canada Life	620.00	660.00	Mississaugua Golf	15.00	20.00
Can. Admiral Corp.	8.50	9.50	Mon. Life 40% paid	143.00	....
Can. Fire Insur.	22.00	....	Mountainview Apts. pf.	29.00	....
Can. Superior Oils	12.75	13.50	Nat. Drug & Ch. com. new	7.50	9.00
Can. West. Nat. Gas com.	65.00	....	Do. pfd.	10.00	12.00
Do. pfd.	18.50	20.00	Nat. Life 25% pd.	62.00	68.00
Capital Wire Cloth com.	15.00	....	New Brunswick Telephone	12.50	13.50
Carlton Club	35.00	....	Niag. Lower Arch Bridge	55.00	61.00
Chase, A. W. units	53.00	56.00	Northern Tel. com.	1.50	1.75
Colonial St'mships com.	140.00	....	Ont. Jockey Club	2,400.00	2,700.00
Do. pfd.	65.00	75.00	Ont. & Que. Rly. 5% c. stks.	137.00	....
Com. Finance Corp.	28.00	....	Park Lawn Cemetery	1.40	1.80
Com. Life 10% pd.	10.50	....	Peller Brewing com.	1.30	1.35
Continental Life Insur.	48.50	....	Do. pfd.	10.00	11.50
Cooksville A	17.00	18.50	Provincial Bank of Canada	15.50	16.50
Do. B	11.00	13.00	Prudential Trust	13.50	15.50
Cuban Can. Sugar com.	9.00	....	Reliance Pet. pfd.	40.00	44.00
Detroit Intl. Bridge	20.00	21.25	Ritchie Cut Stone pfd.	10.75	....
Dom. Royalty Corp.	.25	....	Robinson Cotton new pfd.	3.00	4.00
Dover Industries Ltd.	9.00	10.00	Rosedale Golf	1.40	....
Dunlop Tire pfd.	23.75	24.75	St Andrew's Esta. units	1.25	1.50
Dupuis Freres pfd.	20.00	23.00	Sawyer Massey com.	2.00	....
Empire Life 25% par $50	20.00	....	Scarboro Golf	9.00	....
Do. fully paid	17.25	18.50	Sec. Stand. Royalties pfd.	.05	.07
Essex Packers com.	.85	1.50	Sincennes McN'ton Lines	2.00	2.75
Fibre Products 2nd pf.	.50	.90	Sherbrooke Trust	140.00	....
Foreign Power Co. pfd.	12.00	15.00	Sovereign Life 25% pd.	63.00	67.00
Galt Brass com.	36.00	....	Standard Fuel pfd. 4½%	37.00	39.00
Goderich Elevator & Trans.	15.50	16.50	Do com.	4.25	....
Granite Club	14.00	....	Summit Golf	13.00	....
Gt. Britain & Can. Inv.	.80	....	Sun Life Assce.	128.00	132.00
Great West Life Assur.	530.00	565.00	United Co-Op's Ont. pfd.	3.00	....
Guardian Realty pfd.	....	58.00	Un. Farmers Co-op.	3.00	....
Guar. Co. of N. America	380.00	420.00	United Steel pfd. div. $1.50	24.25	25.50
Gurney Products com.	4.75	5.75	Universal Cooler	7.00	8.00
Do. pfd.	25.50	26.50	Waterloo Tr. & Savings	125.00	128.00
Hart Battery com.	11.00	14.00	Wood Alex. units	103.00	....
Heaps Waterous com.	1.25	2.00	Do. com.	5.50	7.00
Husky Oil & Ref.	10.50	11.50	York Downs Golf NFT	40.00	....
Imperial Life (new)	37.00	40.00	Do. Free Trans.	255.00	285.00

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 11	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 14	Beverages 10	Bldg. mater. 16	Power and traction 11	Banks 8	Total utilities 15	Total co's 105
*1935 to date:												
High	247.7	287.9	149.7	132.7	221.9	138.5	447.0	168.5	146.2	136.2	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	79.5	79.3	66.7	60.2	60.0	65.2	61.1
1951: Monthly Figures:												
Jan.	401.9	481.6	104.7	110.1	359.3	125.6	442.4	244.8	235.8	155.6	148.6	153.8
Feb.	422.2	531.6	110.5	126.9	399.6	127.8	463.4	259.7	146.0	158.5	163.2	166.5
Mar.	411.1	513.3	107.1	133.6	383.0	124.4	441.2	251.6	142.4	150.0	158.9	162.9
Apr.	415.8	568.3	106.1	138.2	369.0	123.4	445.4	260.9	143.9	144.1	159.7	165.6
May	406.4	579.2	104.7	138.9	363.0	118.6	436.3	264.2	139.8	141.7	156.0	164.0
1951: Weekly Figures											▪	▪
June 7	400.3	576.3	101.9	138.1	359.8	120.4	433.7	262.6	136.5	140.9	154.1	163.7
June 14	401.7	562.7	105.1	135.6	357.1	118.9	433.5	256.4	136.3	140.5	154.6	162.3
June 21	394.5	557.2	104.3	132.2	363.8	116.7	423.4	253.7	135.8	141.4	153.9	159.7
June 28	389.0	552.4	105.1	130.6	358.4	115.5	411.8	257.6	135.4	141.7	149.2	157.2
July 5	393.0	553.6	102.8	131.6	350.9	115.2	415.8	256.1	136.3	140.1	153.4	158.5
July 12	401.0	562.2	109.0	132.3	353.1	113.6	419.4	262.1	137.4	140.8	153.4	160.2
July 19	410.4	575.5	114.8	134.9	359.4	115.6	422.7	268.1	138.3	140.5	156.4	163.2
July 26	415.7	581.1	118.4	141.7	358.5	116.3	431.1	272.2	138.6	138.4	158.2	166.2

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.
▪The above indexes have been revised commencing Jan. 4, 1951.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	15 B.M.	15 W.O.
July 30	334.10	81.09	177.30	106.47
July 28	....	....	....	....
July 27	332.46	80.91	175.05	106.28
July 26	332.01	80.36	174.11	105.97
July 25	332.42	80.19	174.10	106.60
July 24	330.81	80.40	172.64	105.49
Month Ago	317.17	76.04	166.16	101.31
Year Ago	231.76	74.77	123.59	75.25
1951 High	338.62	94.81	191.72	108.60
1951 Low	290.69	74.44	163.37	81.24

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
July 30	85.6	228.1	180.6	823.47	62.76
July 28	....	....	....	....	....
July 27	85.3	228.1	180.5	816.95	62.90
July 26	85.4	227.3	180.0	817.57	62.64
July 25	85.3	226.3	179.3	820.77	62.86
July 24	85.3	225.6	178.0	813.97	62.47
Month Ago	85.1	215.5	171.9	768.10	58.70
Year Ago	77.8	149.3	125.5	465.41	51.37
1951 High	90.6	231.8	184.3	876.46	74.33
1951 Low	84.2	192.5	156.5	647.11	55.77

Dow-Jones Closing Stock Averages

	30 Indus.	20 Rails	15 Util.	65 Stocks
July 30	260.70	81.52	45.00	94.72
July 28	....	....	....	....
July 27	259.23	81.69	44.82	94.44
July 26	259.09	80.08	44.90	93.84
July 25	258.11	79.06	44.72	93.22
July 24	258.94	78.89	44.60	93.27
Month Ago	243.98	73.16	42.34	87.56
Year Ago	209.40	60.86	37.78	75.19
1951 High	263.13	90.08	45.00	95.93
1951 Low	238.99	72.39	41.47	86.92

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 31, 1951

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
♠Alg. Cen. H.B.R.	5	'59	129	134	128
Bell Telephone	3	'77	87	90	87
B. C. Electric	3½	'67	89	92	89
Do.	3½	'75	88	91	88½
Do.	3½	'69	93	96	93
[illegible]					

Unlisted Mines, Oils

(By the Broker-Dealer's Assoc. of Ontario)

Approximate quotations, 3.00 p.m., July 30, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	3¾	4	McCuaig	2½	3½
Advance	3½	4	McManus	4	5
Alexander	2½	4	Metalore	10	12
[illegible]					

OILS

[illegible]

*Payable in Canada, U.S. or U.K. †Payable in Canada only. ♠Payable in U.S. funds.

Company Meetings

Date	Company	Place
Aug. 9	Yukon Cons. Gold	Toronto
Aug. 9	Dom.-Anglo Inv.	Toronto
Aug. 23	Wabasso Cot.	Three Rivers, Que.

Bond Tenders

12 noon, Aug. 2, 1951.—Govt. of Canada Treasury Bills — Payable Nov. 2, 1951, $75,000,000. Dated Aug. 3, 1951.

Market Comment

What stocks and bonds are doing and what prominent observers say

The stock market has been advancing now for over a month and the most convincing bullish trade marks have been emerging during the last week e.g. mounting daily volume and breadth of advance over individual issues. Steels, oils, chemicals, agricultural equipment, base metals have all featured in the upturn.

Rarely has there been a period in which such a welter of conflicting market factors faced the trader. The extent to which he becomes a bull or a bear reflects the stress in his thinking on the bright or darker sides of the market picture. Overlying everything is the real possibility of sudden all-out war developing which could render all previous market thinking obsolete.

Although normally such conditions would influence traders to bale out of stocks the daily instances of sharp capital appreciations and the attractive dividend yields have been exerting a strong enough pull to prevent large-scale liquidation. Technical sign-posts have not as yet indicated commencement of any period of broad stock distribution.

* * *

A. S. W. WHITE: Hugh Mackay & Co. (Montreal)

The stock market has had a steady and almost uninterrupted rise during the past month and the various indices by which we gauge the level of prices are approaching their previous high marks of the year. Consequently, there is a tendency on the part of short term traders to fight shy of stocks at these prices and to wait for the reaction that may reasonably be expected to take place.

On the other hand, there is still a huge amount of money seeking investment and a feature of the past few weeks has been a strong indication of important buying in a number of leading issues. While this great cushion of buying power remains unsatisfied, and as long as common stocks stay attractively priced in relation to prospects, earnings and dividends, the market is on a sound basis.

While market traders may do well to proceed with caution for a while, investors with a long term viewpoint should not hesitate to buy sound common stocks, particularly those representing companies in basic and growing industries.

* * *

JUDSON T. KENNEDY: Picard & Fleming (Toronto)

Industrial firms are still making record earnings. However, the stock market in general is governed by world situations: gold markets, base metal markets, oil markets, politics, war, etc., not by a few successful firms. But these outstanding companies should be on your portfolio list to buy if the market sells off.

At the present time, there are three outstanding situations overhanging the market:

1. Korean situation
2. Iran situation
3. Truman corporation tax bill

The past four-week continuous rise in the market, along with the three main situations above, should put one on guard to be very cautious what type of stocks to trade in for the next few weeks. No doubt, there will be quick profits on stocks making outstanding news but the market in general looks lower.

The advice of successful traders and expert financial advisers, of many years' experience, is to establish a cash position in order to be able to buy the bargains as they come along in the next downward trend.

* * *

BARRON'S: The Trader (New York)

Of course, there are at the moment flies in the ointment of booming business, as there usually are. Retail trade is running well below the scare-swollen volumes of a year ago and inventories here and there both in consumer hard and soft lines are excessive. But it might prove premature and unwise to conclude from the evidence at hand that a serious recession is impending in lines that are currently depressed. Take, for instance, the curtailment in finished rayon goods which has led to some slight reductions in prices of yarns. The weakness is solely in filament-type yarns. Demand for viscose tire yarn and for acetate and viscose staple continues strong.

Dividends Declared

	This payment $	Date payable	Date of record
Acadia Atlantic	.12½	Oct. 1	Sep. 10
Do. A	.30	Oct. 1	Sep. 10
Do. pfd.	1.25	Sep. 15	Aug. 20
Agnew-Surpass	.15	Sep. 4	July 31
Aluminium	†.90	Sep. 5	Aug. 6
Aluminum pf.	.25	Sep. 1	Aug. 8
Anglo-Can. Tel. A.	.15	Sep. 1	Aug. 10
Argus	.15	Sep. 1	July 31
Do. pfd.	1.12½	Sep. 1	July 31
Aunor Gold	.05	Sep. 1	Aug. 10
Bk. of Montreal	.25	Sep. 1	July 31
Bk. of Toronto	.35	Sep. 1	Aug. 15
Barber-Ellis	.62½	Sep. 14	Aug. 31
Bathurst Pwr. A	.75	Sep. 1	Aug. 3
Beaver Lumber	.25	Oct. 1	Sep. 10
Do.	.35	Oct. 1	Sep. 10
Belding Cort.	1.50	Oct. 1	Aug. 31
Do. pfd.	1.75	Oct. 1	Aug. 31
Belleterre Que.	.10	Sep. 15	Aug. 15
[illegible]			

*American funds. †Initial. ‡Extra.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Secuirties.

PROVINCIAL

Province of Nova Scotia—3¾% debentures, due July 15, 1966, $7,000,000. Issued July 19, 1951. Offered at $98.59 by Smith, Barney & Co., Wood, Gundy & Co. Inc., Harriman, Ripley & Co. Inc., The First Boston Corp., A. E. Ames & Co. Inc., Dominion Securities Corp. and McLeod, Young, Weir Inc.

MUNICIPAL

Village of Cobden, Ont.—4¼% debentures, due Sept. 1, 1952-71, $174,000. Issued July 24, 1951. Offered at $97.85 and accrued interest to yield 4.50% by Bankers Bond Corp., J. L. Graham & Co. Ltd. and Bank of Nova Scotia.

Town of Brockville, Ont. — 3% debentures, due Aug. 1, 1952-56, $12,000. Issued July 16, 1951. Bought privately by Wood, Gundy & Co. Ltd.

Village of Point Edward, Ont.—4% debentures, due June 30, 1952-61, $30,000. Issued July 16, 1951. Bought privately by Wood, Gundy & Co. Ltd. and Royal Bank.

City of Cap-de-la-Madeleine, Que. — 3½% and 4% debentures, due May 1, 1952-56-71, $402,000. Issued July 17, 1951. Sold at $94.62 to A. E. Ames & Co. Ltd., Royal Bank of Canada, Dawson, Hannaford Ltd. and Casgrain & Co. Ltd.

Town of Lennoxville, Que.—3½% and 4% debentures, due Apr. 1, 1952-61-71, $50,000. Issued July 17, 1951. Sold at $95.54 to Dominion Secuirties Corp., Ltd.

Town of Ste. Agathe-des-Monts, Que. — 4% debentures, due June 1, 1952-66, $55,000. Issued July 17, 1951. Sold at $9.67 to Belanger Inc.

Protestant School Commission of Chambly-Richelieu, Que.—4% debentures, due May 1, 1952-71, $58,000. Issued July 18, 1951. Sold at $90.22 to Morgan, Kempf & Robertson Ltd.

Town of Morinville, Alta.—4½% debentures, due 1952-66, $15,000. Issued July 18, 1951. Sold locally by the town.

Village of Senneville, Que.—4% debentures, due July 1, 1952-71, $70,000. Issued July 18, 1951. Sold privately at $95.

Town of Vegreville, Alta. — 4¾% debentures, due May 1, 1952-61, $30,000. Issued July 18, 1951. Bought privately by James Richardson & Sons.

CORPORATE

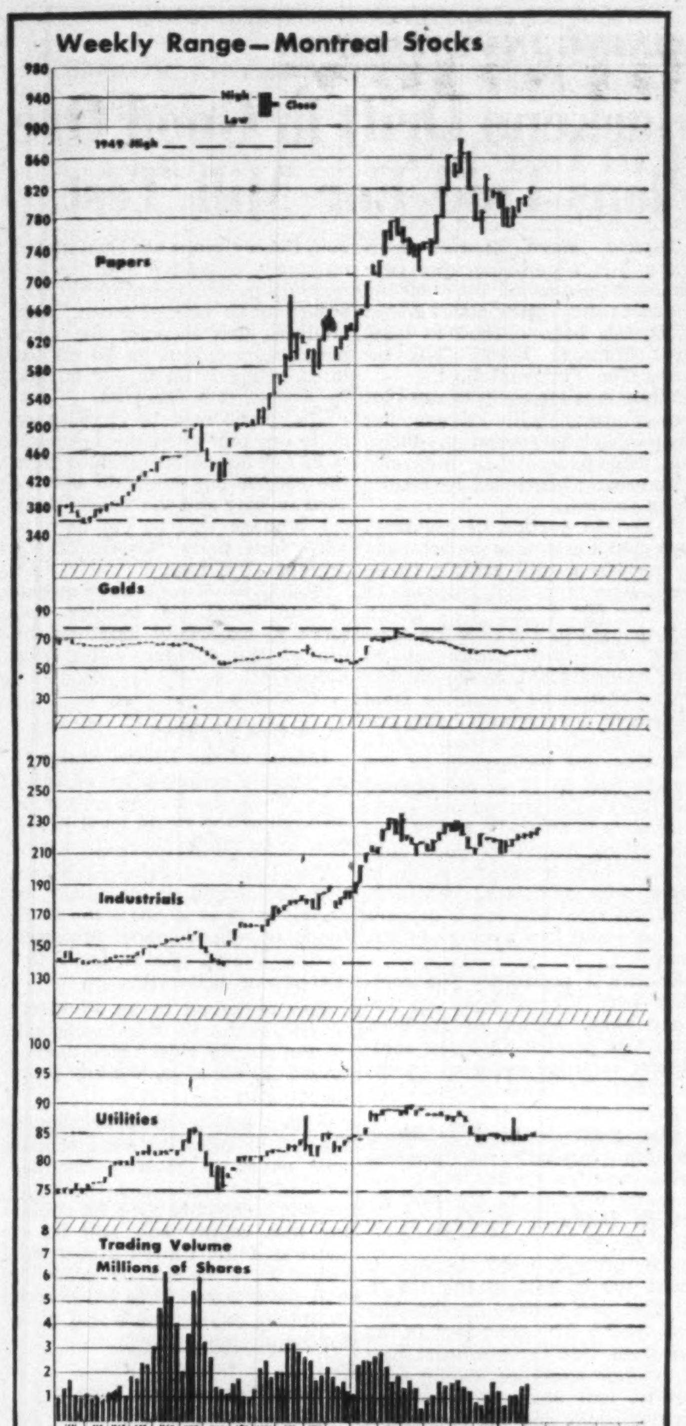
Modern Tool Works, Ltd.—5% first mtge. sinking fund bonds. Due June 15, 1966, $550,000. Issue June 15, 1951. Offered at $100 and accrued interest by Fry & Co. Ltd.

Barvue Mines Ltd.—5% first mtge. sinking fund bonds, series A. 5% first mtge. sinking fund bonds, series B (carrying stock purchase warrants), to mature Aug. 1, 1956, $7,000,000, dated Aug. 1, 1951. Offered at $99 and accrued interest by McLeod, Young, Weir & Co. Ltd., Milner, Ross & Co., Nesbitt, Thomson & Co. Ltd., W. C. Pitfield & Co. Ltd., James Richardson & Sons, L. G. Beaubien & Co. Ltd. and Draper, Dobie & Co.

COMMON

Dome Exploration (Western) Ltd. — 500,000 common shares (par value $2.50 per share). Offered at $11.22 per share by Wood, Gundy & Co. Ltd., Greenshields & Co. Inc., W. C. Pitfield & Co. Ltd., Mills, Spence & Co. Ltd., McLeod, Young, Weir & Co. Ltd., James Richardson & Sons, Matthews & Co., Gairdner & Co. Ltd., Cochran, Murray & Co. Ltd., Wills, Bickle Co., Midland Securities Corp. Ltd. Dominick Corp. of Canada, J. R. Timmins & Co., Bach & Co., Bruce Holdings Ltd., Wisener & Co. Ltd., Osler, Hammond & Nanton Ltd., Tanner & Co. Ltd., Carlile & McCarthy Ltd., The Western City Co. Ltd., Yorkshire Securities Ltd. and McMahon & Burns Ltd.

Weekly Range—Montreal Stocks



New Highs & Lows

During the week ended July 30, 24 new highs were recorded on Canadian stock exchanges and 22 new lows. In the mining group there were 11 new highs and 9 new lows. In the western oil group there were 10 new highs and three new lows.

GENERAL

New Highs—1951

Abitibi Pwr. pfd.	Dom. Tar & Chem.
Argus Corp.	Foundation Co.
Do. pfd.	Gt. Lakes Naper N.
B-A Oil	Do. A pref.
Can. Cement	Hinde & Dauch
Cdn. Breweries	Lk. of the Woods
Cdn. Canners	McColl-Front. com.
C. Wirebond Box A	Massey-Harris
Cockshutt Plow	Mica of Can.
Coll. Terminals pf.	Stand. Chemical
Dom. Steel & Coal	Union Gas
Dom. Struct. Steel	

New Lows—1951

Can. Perm. Mtge.	Mt. Royal Metals
Cdn. Inv. Trust	Ont. Beauty Supp.
Dom. Magnesium	Riverside Mills A
Dom. Stores	Silverwoods D. B
East Koot. pfd.	South. Can. Pr. pf.
Fed. Grain pref.	Stedman Bros.
Gatineau Pwr. pf.	Tor. Gen. Trust
Do. 5½%	Trans. Television
Hayes Steel	Wabasso Cotton
Inglis, John rights	West. Grocers pfd.
Maple Leaf Milling	Geo. Weston pfd.

MINING

New Highs—1951

Atlas Y'knife	Mentor Explor.
Central Explorers	New Norzone
Cournor	Penn-Cobalt
El-Pen-Rey	Tungsten
Giant Y'knife	Un. Keno Hill
Lapa Cadillac	

New Lows—1951

Congress	McWatters
Cons. Cen. Cadillac	New Formaque
Giant Mascot	Rix-Athabasca
Gold Eagle	Wiltsey Coghlan
Marbenor	

OILS

New Highs—1951

Ajax	Jupiter
American Leduc	Mid Continental
Britalta	Scurry Oils
Devon Leduc	Security Freehold
Gridoil	Selburn

New Lows—1951

Highwood Sarcee	Select Oils
Renfrew	

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$33.97	$33.75	$28.53
Hogs	39.60	39.60	31.10
Copper, lb.	.24½	.24½	.22½
Sugar, raw, lb.	.0555	.0530	.0565
Coffee, lb.	.52½	.52½	.54½
Hides	.36	.36	.30
Weekly Indices			
U. S. Labor	178.0	178.7	164.6
Dow Jones	177.45	178.66	174.34
Fisher's	184.1	184.3	1.72.2
Monthly Indices			
Retail (June)†	184.1	182.0	165.4
W'sale (May)	241.9	242.2	204.7
U. S. (Apr.)	183.5	184.0	152.9
Gt. Brit. (Apr.)	318.5	313.6	249.8

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb. top price. Toronto. Copper-electrolyte. New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f. New York.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
♠Celanese Corp. of Am. Gen. Mtge. Bds.	5%	1968	Aug. 3	$102.33½
*Ellis Park Apts. 1st Mtge. (closed) Bds.	4½%	1960	Aug. 1	$101.
♠†Husky Oil & Refining Cum. S. F. Bds.	5½%	1961	Aug. 1	$103.

*All outstanding.
♠$170,000.
♠$66,479.51.
†Tenders for sinking fund.

Investment Trusts

	Bid	Ask
Affiliated Funds	4.95	5.35
Balanced Funds	16.70	18.35
Can. Invest. Fund	6.15	6.75
Corporate Invest.	5.67	6.13
Commonwealth Int.	5.24	5.76
Investors Mutual	6.37	6.89
Leverage Fund	3.90	4.29
Mut. A Funds	12.94	13.90
Resources of Can.	5.89	6.47
Timed Invest.	4.50	4.94
Trans-Canada	18.95	...
Do. B	18.95	...
Do. C	3.80	4.10

Staff Changes

Chartered banks announce the following staff changes.

Nova Scotia:

C. J. ASH, to be manager, Hamilton, Ont.

G. W. BONNELL, to be manager, Timmins, Ont.

E. K. CLIFFORD, to be manager, Trenton, N.S.

C. R. DICKIE, to be manager, Sydney, N.S.

J. S. McGILL, to be manager, Bloor & Jane, Toronto.

W. R. McKENZIE, to be manager, Avonlea, Sask.

G. H. BERESFORD, to be an assistant agent, New York, N.Y.

R. M. NICHOLS, to be second assistant manager, Ottawa.

L. T. KESTER, to be accountant, Kingston Rd. & Bingham, Toronto.

C. W. JAMESON, to be accountant, Coburg & Robie, Halifax.

B. W. MORIN, to be accountant, Longueuil, Que.

* * *

Royal:

W. J. MILLER, manager, Queen & Broadview, to be manager, College & Bathurst, Toronto.

J. J. HAND, manager, Viscount, Sask., to be manager, Govan, Sask.

W. S. HUNTER, head office, to be assistant manager, London, England.

R. E. STEWART, St. Catherine & Bleury, Montreal, to be accountant, Hintonburgh, Ottawa, Ont.

D. A. HODGINS, Prince Albert, Sask., to be accountant, Kerrobert, Sask.

W. R. CORNELL, accountant, Sarnia, Ont., to be accountant, Hamilton, Ont.

L. E. SOUTH, savings manager, Sarnia, Ont., promoted to accountant.

R. WATKINSON, Bay & Wellington, Toronto, to be accountant, Arthur, Ont.

* * *

Commerce:

G. E. BARNWELL, formerly accountant, North Battleford, Sask., to be manager, St. Walburg, Sask.

A. BINNS, formerly manager, St. Walburg, Sask., to be an assistant inspector in department of the Sup. of Manitoba & Saskatchewan branches, Winnipeg.

J. S. LAING, to be accountant, at Bloor & Ossington, Toronto, Ont.

F. J. MURRAY, formerly of Naicam, Sask., to be accountant, North Battleford, Sask.

J. G. PARRY, to be manager, foreign exchange department, Vancouver.

A. A. SECOURS, formerly of Chambly, Que., to be accountant, Farnham, Que.

J. G. BARRACLOUGH, to be assistant accountant, Grimsby, Ont.

D. D. O. BELL, to be assistant accountant, Oshawa, Ont.

J. J. G. BOURBONNIERE, formerly of Thetford Mines, Que., to be accountant, St. Hyacinthe, Que.

R. F. DAVIS, formerly accountant, Port Credit, Ont., to be manager of newly opened branch, Lakeview, Ont.

J. H. FALLS, to be an assistant accountant at foreign department, head office, Toronto.

A. GIBBS, to be an assistant accountant, Vancouver.

A. HAIG, formerly manager, Elgin, Man., to be manager, Birch Hills, Sask.

R. A. HALL, formerly, Grimsby, Ont., to be assistant accountant, Port Credit, Ont.

H. M. HOVEY, formerly assistant manager, Saskatoon, Sask., to be manager, North Winnipeg, Winnipeg.

K. S. HUGHES, formerly accountant, Dauphin, Man., to be manager, Red Rock, Ont.

N. E. LITTLE, formerly assistant accountant, Port Credit, Ont., to be accountant, Port Credit, Ont.

J. A. LUSIGNAN, formerly accountant, St. Hyacinthe, Que., to be manager, La Sarre, Que.

W. H. MARSH, formerly manager, Red Rock, Ont., to be manager, Blake & Logan, Winnipeg.

A. R. McFARLAN, formerly manager, Regina, to be manager, Winnipeg.

J. M. REGAN, formerly accountant, Bloor & Ossington, Toronto, to be manager of newly opened branch, Dufferin & Glencairn, Toronto.

C. C. RIACH, formerly manager, North Winnipeg, Winnipeg, to be manager, Regina, Sask.

G. E. TAYLOR, formerly manager, Birch Hills, Sask., to be assistant manager, Saskatoon, Sask.

W. B. TYSON, to be an assistant accountant, Portage & Donald, Winnipeg.

S. R. WRIGHT, formerly, Humboldt, Sask., to be accountant, Dauphin, Man.

W. DAVIS, formerly an assistant accountant, Portage & Donald, Winnipeg, to be manager, Elgin, Man.

NORTH DENISON MINES reports July 16 installment of 150,000 shares at 15c a share under agreement with Stuyvesant-North Ltd. has not been exercised and agreement has terminated.

Municipal Bonds

July 31, 1951

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'69	89½	92½	4.37
Vancouver	3¾	'69	90	92½	4.36
Calgary	3½	'69	90	92	4.13
Edmonton	3½	'69	88	90	4.29
Regina	3	'64	86	88½	4.12
Moose Jaw	3-3½	'60	91	93	4.15
Winnipeg	3	'69	85	88	3.92
Ottawa	3¼	'68	91⅞	93⅞	3.75
Toronto	3	'68	88½	90½	3.75
Hamilton	3	'67	87½	89½	3.89
Windsor	2½	'75	66¾	68¾	4.64
Windsor	2¾	'75	70⅜	72⅜	4.66
Windsor	3½	'75	81¼	83¼	4.66
Montreal	3	'70	88	90	3.73
Quebec	3½	'64	90½	92½	4.25
Halifax	3½	'66	88½	90½	4.37
Saint John	3½	'65	89	91	4.36

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ESTATES — PENSIONS — FAMILY INCOMES

HOWARD J. CROFTS, C.L.U.
Business Insurance and Estate Analysis
THE LONDON LIFE INSURANCE COMPANY
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ANDREW J. ELDER, C.L.U.
THE LONDON LIFE INSURANCE COMPANY
25 King St. West — TORONTO — WAverley 1844

SAMUEL LITWIN, C.L.U.
Estate and Business Insurance Analyst
Sun Life of Canada
Sun Life Building MONTREAL PL. 3131

FERNAND de HAERNE, C. L. U.
Estate Analysis — Succession Duties — Business Insurance
NORTHERN LIFE ASSURANCE CO. OF CANADA
815 University Tower Building
MONTREAL PL. 9781

Ont. Gold Output Slips As Labor Supply Down

A sharp decrease in gold mining activities was experienced in Ontario during June but the decline wasn't sufficient to mar fairly encouraging results in the first half of 1951, the Ontario Department of Mines reported this week.

The month showed the effect of Labor migration to better paid jobs and the production record for that period is down all along the line with the exception of silver.

Output figures for June, 1951, (June 1950 in brackets), follow: Tons milled, 846,471 (856,286); gold ounces, 199,329 (201,699); silver ounces, 47,613 (38,916); value, $7,463,192 ($7,794,499).

Wage earners employed in June, 1951, numbered only 12,630 against 13,371 in June, 1950.

The record for 43 gold mines for first six months — 1950 figures in brackets — shows: Ore milled, 5,271,323 tons (5,146,133); gold ounces, 1,239,673 (1,215,548); silver ounces 215,015 (206,639); value, $45,822,590 ($46,985,981).

Results for the first half of 1951, by mines, are shown below:

	1951 Tons Milled	1951 Total Value	1950 Tons Milled	1950 Total Value
	Six Months Ended June 30			
PORCUPINE:				
Aunor	87,601	$1,200,562	87,654	$1,210,510
Bonetal	25,515	150,768	22,166	98,034
Broulan	23,247	184,304	23,528	239,762
Buffalo Ankerite	60,465	508,536	56,065	532,392
Coniaurum	63,955	607,578	70,805	629,947
Delnite	78,417	832,238	74,865	754,832
Dome	343,700	3,032,460	336,800	3,044,154
Hallnor	68,589	846,703	65,036	1,007,811
Hollinger	578,490	5,644,262	597,664	5,676,197
Hugh-Pam	6,070	45,843	5,395	32,385
McIntyre	408,700	3,954,841	387,260	4,122,542
Pamour	296,355	1,041,715	300,248	1,093,449
Paymaster Consolidated	90,969	706,136	97,783	729,810
Porcupine Reef	56,233	694,191	45,438	380,841
Preston East Dome	123,076	1,108,139	122,947	1,063,898
Ross	56,194	359,978	54,089	391,056
KIRKLAND LAKE:				
Kirkland Lake Gold	61,822	779,080	60,885	795,605
Lake Shore	182,980	2,607,414	188,679	2,754,420
Macassa	67,421	796,654	69,151	958,880
Sylvanite	85,159	874,660	84,100	937,897
Teck-Hughes	96,360	963,713	77,305	808,891
Toburn	20,500	281,848	22,052	270,844
Upper Canada	73,059	763,249	65,639	733,243
Wright-Hargreaves	90,033	1,380,114	96,878	1,641,900
LARDER LAKE:				
Chesterville	158,046	398,242	154,774	358,852
Kerr-Addison	795,367	5,976,582	782,256	6,430,118
MATACHEWAN:				
Matachewan Consolidated	131,679	473,813	120,533	335,932
Young-Davidson	157,386	358,389	156,114	607,318
SUDBURY:				
Renabie	11,563	207,605	78,171	683,748
PATRICIA PORTION:				
Campbell Red Lake	79,036	1,144,129	67,871	1,118,673
Central Patricia	44,420	432,350	52,436	549,803
Cochenour-Willans	36,414	686,221	35,485	679,340
Hasaga	69,081	321,943	72,045	327,806
Madsen Red Lake	147,304	1,084,367	131,569	1,206,227
McKenzie Red Lake	40,071	456,330	38,940	434,524
New Dickenson	38,665	528,701	20,088	289,784
New Jason	19,136	306,949	19,475	256,508
Pickle Crow	54,248	879,462	61,222	892,205
Starratt Olsen	74,576	446,110	66,677	568,074
THUNDER BAY:				
Hard Rock	94,797	281,251	66,499	190,962
Leitch	15,974	496,622	15,751	492,052
Little Long Lac	49,482	510,965	58,434	534,459
MacLeod-Cockshutt	183,973	1,275,523	114,846	933,044
Magnet	22,291	166,456	20,495	166,343
Theresa	2,904	25,084	......	......
MISCELLANEOUS:				
January to June	......	490	......	918
Grand Total	5,271,323	45,822,590	5,146,133	46,985,981

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THE

WABASSO COTTON COMPANY

LIMITED

ANNUAL REPORT

DIRECTORS

C. R. WHITEHEAD, President
NORMAN J. DAWES, Vice-President
HUGH MACKAY HON. LUCIEN MORAUD, K.C.
W. TAYLOR-BAILEY O. B. THORNTON, O.B.E., W. J. WHITEHEAD

Directors' Report to the Shareholders

GENTLEMEN:—

The financial position of the Company at 28th April 1951, and the results from the operations for the year ended that date are shown by the accompanying Financial Statements.

Profits for the year as shown in the Profit and Loss Account amounted to $663,921.51 and compare with profits last year of $608,184.63.

On the 1st February 1951 the remaining $1,000,000. of the Company's Series "A" 4½% First Mortgage Bonds matured and were paid off and the mortgage securing the issue was discharged.

In order to finance the construction and purchase of additional manufacturing facilities arrangements were made and completed for the issue and private sale of $2,000,000 of 3½% Serial Debentures maturing as to $200,000 in each of the next ten years. These funds will also assist the Company in maintaining an adequate working capital position.

The Directors wish to express their appreciation of the loyal and efficient services rendered by the Company's officers, staff and employees during the year.

Submitted on behalf of the Board of Directors,
(Signed) C. R. WHITEHEAD,
President.

THREE RIVERS, QUE., 17th MAY, 1951.

BALANCE SHEET
As at 28th April, 1951

ASSETS

Current Assets:—		
Cash on Hand and in Banks	$ 15,121.45	
Government of Canada and Provincial Bonds with interest accrued — less reserve (Approximate Market Value $3,243,156.51)	3,123,919.01	
Accounts and Bills Receivable, less reserves	1,596,520.99	
Inventories as determined and certified by the Management — Raw Cotton, partly manufactured and manufactured stock, at cost or market value whichever was the lower, less reserves. Supplies and Chemicals at average cost and not over replacement value	2,796,579.56	$ 7,532,141.01
Property:—		
Real Estate, Buildings, Plant, Machinery, etc., at cost, less amounts written off	$14,813,261.16	
Less: Depreciation and Obsolescence provided	10,823,242.11	3,990,019.05
Investments:—		
Wholly Owned Subsidiary Companies (Estimated realizable value as of this date $1,279,096.68)		222,160.26
Deferred Charges:—		
Unexpired Insurance, Prepaid Taxes, etc.		115,414.78
		$11,859,735.10

LIABILITIES

Current Liabilities:—		
Accounts and Bills Payable	$ 897,704.17	
Bank Loans — secured	758,000.00	
Operating Expenses and Accrued Wages	769,011.84	
Provision for Municipal and Other Taxes	619,066.55	
Debentures Interest Accrued	11,315.07	
3½% Debentures due 1st March 1952	200,000.00	$ 3,255,097.63
Deferred Liabilities:—		
For Machinery and Equipment Purchases		191,419.62
Debentures:—		
Authorized:—	$ 5,000,000.00	
Issued:—		
Series "A" 3½% Serial Debentures	$ 2,000,000.00	
Less: Debentures maturing 1st March 1952	200,000.00	
Balance due $200,000.00 annually 1st March 1953 to 1961 inclusive		1,800,000.00
Provision for Research, Plant Improvements and Contingencies		1,000,000.00
Provision for Increased Cost of Replacing Fixed Assets		1,162,221.25
Capital Stock:—		
Authorized:— 525,000 shares of No Par Value		
Issued:— 349,515 shares fully paid		2,000,000.00
Undistributed Income — Reinvested in the Business. Balance as at 28th April 1951		2,450,996.60
		$11,859,735.10

NOTE: Capital Expenditure commitments amount to approximately $1,900,000.
MONTREAL, 16th MAY 1951.
Signed on behalf of the Board:
(Signed) C. R. WHITEHEAD, Director
NORMAN J. DAWES, Director
Verified as per our report of this date.
(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants,
Auditors.

PROFIT AND LOSS ACCOUNT
For the Year Ended 28th April, 1951

Net Profit for the year ended 28th April 1951 before providing for the undernoted items		$2,428,280.81
Revenue from Investments		69,395.46
		$2,497,676.27
Depreciation on Property and Plant	$698,682.36	
Bond and Debenture Interest	45,465.75	
Directors' Fees	6,160.00	
Legal Fees	9,368.99	
Executive Salaries	48,748.81	
Expenses of Debenture Issue less premium	15,328.85	
Provision for Government Taxes	790,000.00	
Provision for increased cost of replacing Fixed Assets	220,000.00	1,833,754.76
Balance of Profit for the Year Transferred to Undistributed Income		$ 663,921.51

UNDISTRIBUTED INCOME — REINVESTED IN THE BUSINESS
As at 28th April, 1951

Balance at credit 29th April 1950		$1,667,411.87
Add:—		
General Reserve		500,000.00
Balance of Profit for the year ended 28th April 1951		663,921.51
		$2,831,333.38
Deduct:—		
Adjustments affecting prior years	$ 30,821.78	
Dividends paid	349,515.00	380,336.78
		$2,450,996.60

VAN ROI CONSOLIDATED MINES continues to secure favorable results in drifting on the southwest ore zone, officials report. The mine office reported on July 25, that 50 ft. of advance had been made at that time. The face of the drift was in a 4-ft. width of high grade ore. Car samples from 190 tons of development muck from the 90-ft. drift showed an average of 12% lead, 7% zinc and 9 oz. silver per ton.

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MINING INVESTMENTS

Mackeno Drift in Good Ore Plans Laid For Mill Test

Typical Mayo district high grade silver-lead-zinc ore continues to be opened by Mackeno Mines in its upper adit. About 85 ft. has been opened to date, Mine Manager David Duff informs The Financial Post.

While it is too early to say that the company will become the Keno district's second producer, the management has naturally been greatly heartened by results being obtained.

A certain portion of ore from each round is now being set aside to provide a mill sample to be used later for the purpose of working out a mill flow sheet. It is thought by the time the company may have completed its own milling plant, hydro-electric power should be available from the power development being put in by federal authorities.

Assays are incomplete as yet on the first 85 ft. of ore opened but The Post is assured that sufficient data is available to say that the entire length is good mill rock, perhaps averaging 40 oz. in silver with additional values in lead and zinc. The ore is thought to run about the average of the camp.

There's a possibility the company may shortly open up another vein. About 56 ft. back from the present face are indications of a second vein in the hangingwall. Slashing will be done.

The west heading is being "double headed" to produce news rapidly. So far there has been no drifting to the east although the east heading is in good ore.

The present work in ore is about 190 ft. east of the 110 ft. of good ore opened in the McLeod shaft. The west face in the old level was the strongest part of the vein structure. Going west, Galena Hill steepens, providing greater backs and the opportunities are thought to be particularly encouraging in that direction.

* * *

Hudson Bay Unit Going

New zinc-producing facilities are now swinging into operation at Hudson Bay Mining & Smelting Co., a leading Canadian zinc producer.

One of two furnaces in the new zinc-fuming plant has been placed on steady operation and the second will go into operation shortly, according to official word. New facilities will increase the company's zinc output by 30 million lb. bringing it up to 130 million lb. a year, it is reported.

The plant now is running on mine ore but when the new unit is in full operation residues from the 900,000-ton stockpile will be used in part and the mine's daily ore tonnage will be cut back to 4,000 tons daily instead of the present 5,000 tons.

Ability to secure a large output of zinc from old tailings will serve to materially lengthen the life of the company's big Flin Flon mine.

* * *

U. S. Ups Copper

Efforts of the United States to maintain a ceiling price of 24½c a lb., U. S. funds, for copper — well below the world level — appear to be falling short of success.

The Office of Price Stabilization has found it necessary to permit sales at 27.50c a lb., U. S. funds, of refined copper produced in the United States from imported raw materials.

This appeared to be an effort to try to break the bottleneck on the supply side which a continued 24½c a lb. ceiling price has created.

While action in providing a 27½c a lb. price for some copper will assist in making supplies available to consumers, there appear to be good reasons for thinking that copper will still be so short that the United States will either have to lift its price or will have to subsidize home consumption, paying the world price for requirements.

* * *

Arrow Picture Broadens

According to official word received by financial sponsors in Toronto, Arrow Tungsten Mines has indicated the apparent continuation of its main tungsten-bearing zone in the Ymir district of British Columbia to an elevation of 4,500 ft.

Evidence of scheelite has been found recently in Haukedahl Creek, considerably below this elevation and lining up with the main zone. The engineer in charge believes this gives added support to the theory of a long and continuous scheelite-bearing zone.

As reported earlier, surface sampling has indicated a minimum of 330 tons per vertical foot in three main ore shoots in a closely explored length of 600 ft.

* * *

Plans "Silica Flour"

Annual meeting of Canadian Silica Corp. learned that the management plans to turn out "silica flour" in a newly purchased modern grinding plant acquired near Whitby, Ont. Additional equipment is to be installed to permit production of the grade of product desired.

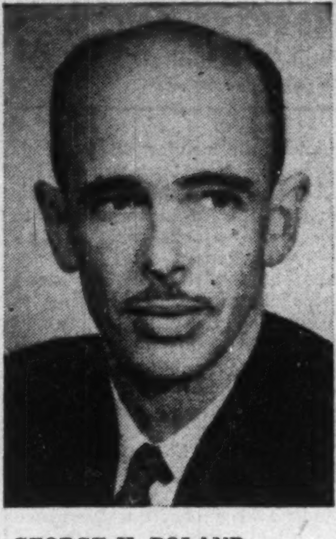
Initially the aim is to produce nothing but silica flour, but it is possible that certain high quality silica sands may also be made. Capacity of the grinding plant, silica flour alone, should be 20,000 to 25,000 tons per year, it is stated, and an operating profit in excess of $40,000 per annum is anticipated.

Much improved results have been reported by the company this year.

Operating profit of approximately $48,000 realized at the first half of 1951 represents an increase of over 45%. Production was up 10.6% and tonnage shipped up 26.3%.

Shipments have been inaugurated this year to one of the largest manufacturers in the United States. Initial orders were 15,000 to 20,000 tons but selling agents advised that this may be increased substantially as material is proving satisfactory in use.

To the end of June 81,433 tons have been crushed of which 43,733 have been used, leaving 37,700 tons on stockpile. It is expected that in excess of 100,000 tons will be crushed this year.



GEORGE H. POLAND

has been appointed a vice-president, Young & Rubicam.

Powell Readies For Deep Work

Preparations for the internal shaft proposed by Powell Rouyn Gold Mines have made substantial progress with most of rock excavation made for hoist installation, President L. M. Keachie informs shareholders.

The new ore pass system from the 2,000 level to the 1,400 level is expected to be completed and in operation by the end of the current quarter.

Net profit of the company for the three months ended June 30, 1951, amounted to $50,758 before depreciation and excluding cost-aid. In the full year ended March 31, 1951, a net profit of $186,825, 15 cents a share, was reported.

At the Heva mine, gold recoveries on preliminary shipments proved to be above expectations. Shipments of approximately 100 tons daily have been made to the Powell mill since July 4.

Production at the Powell mine in the June quarter consisted of 40,786 tons sent to the Noranda smelter and 2,993 tons treated at the Powell mill. Value of this production, including special silica allowance, received from the smelter, was $212,249 after metallurgical loss.

A total of 28,667 tons of ore from other mines was treated at the company's mill.

B-A OIL PROMOTION

A. D. CADMAN

The appointment of Mr. A. D. Cadman to the position of Manager of Central Region (Ontario) of The British American Oil Company Limited is announced effective immediately.

Mr. Cadman has had a wide and varied experience in the petroleum industry. Since 1945, he has served as Manager of the Eastern Region which includes the Province of Quebec, the Maritime Provinces and Newfoundland.

Mr. Cadman's headquarters will be in Toronto.

*

Waite Amulet Profit Gains Due to Higher Metal Prices

A sharp increase in net profits is reported by Waite Amulet Mines for the first half of 1951 as compared with the corresponding period of 1950. "The increased earnings in the first half of the current year are due to higher metal prices which enabled your subsidiary, Amulet Dufault Mines, to pay dividends amounting to 55 cents a share compared with 40 cents a share during the first half of 1950," President J. Y. Murdoch reports.

Net profit of $2,275,625, 69 cents a share, realized the first half of this year compared with $1,650,200, 50 cents a share, in the same 1950 period.

Actually the increase over 1950 is greater than is at first apparent. The reported net profit for the first half of 1950 was $1,468,000 but this was later increased when it was decided to defer expenditures in connection with the East Waite mine.

Sinking of the East Waite shaft to a depth of 2,080 ft. was completed in June and development work is being pushed on all levels.

It is expected that stoping operations at this new mine will commence early in 1952. Some surface drilling is being done to the north of the East Waite ore body and to the southwest of the old Waite ore bodies.

A total of 205,815 tons of ore was milled in the first half of 1951 against 223,180 tons in 1950.

Sullivan Cons. Output Lower In Six Months

Bullion output of $767,057 is reported by Sullivan Consolidated Mines for the first six months of 1951 as against $852,920 for the corresponding period last year.

Tonnage milled was 90,389 tons as against 89,620 tons milled for the same 1950 period.

Production figures are exclusive of cost-aid receivable but the estimated cost-aid for this year is more substantial and net profits remain at approximately the same level as last year, Secretary A. Archambault reports.

MINING CONCENTRATES

CENTREMAQUE GOLD MINES reports July 21 option installment comprising 272,500 shares at 15c a share and each subsequent installment under agreement with Duranleau, Dupre & Duranleau have been extended for 30 days.

* * *

CITRA-LARTIC MINES has received payment for 100,000 shares at 17½c a share, comprising part of June 24 option under agreement with Simpson Gold Mines. Balance of agreement has been terminated by mutual consent. Issued capital is 2,288,335 shares, leaving 1,711,665 shares in treasury.

* * *

GOLDFIELDS URANIUM MINES states that Geiger probe reaction from shallow diamond drill holes on its FF concession indicates the presence of a sizeable ore shoot. A total of 13 drill holes have been completed over a length of 360 ft. in the vicinity of Black Bay fault, a major structure with which uranium deposits have been proven to occur at other locations. hTe X-ray machine has been supplemented by a heavy drill which is now probing to greater depths. Radioactive occurrences have been found on the NN and TT concessions where surface work is being done.

* * *

HALCROW SWAYZE MINING CO. reports that by agreement of July 26, Walter E. Shean of Toronto has underwritten 200,000 shares at 10c a share payable $10,000 cash and balance by August 26 and has optioned 200,000 shares at the same price exercisable to the extent of 100,000 shares by Sept. 26 and balance by Oct. 26. Upon issue of first block of underwritten shares, issued capital will be 2,685,000 shares leaving 315,000 shares in treasury.

* * *

SPUD VALLEY GOLD MINES is moving in equipment and men for start of its development program in the Danzig copper-zinc property, west coast of Vancouver Island. Compressor and mining machinery are now being moved to the tunnel portal and a diamond drilling crew is en route. Officials expect development and diamond drilling will start shortly.

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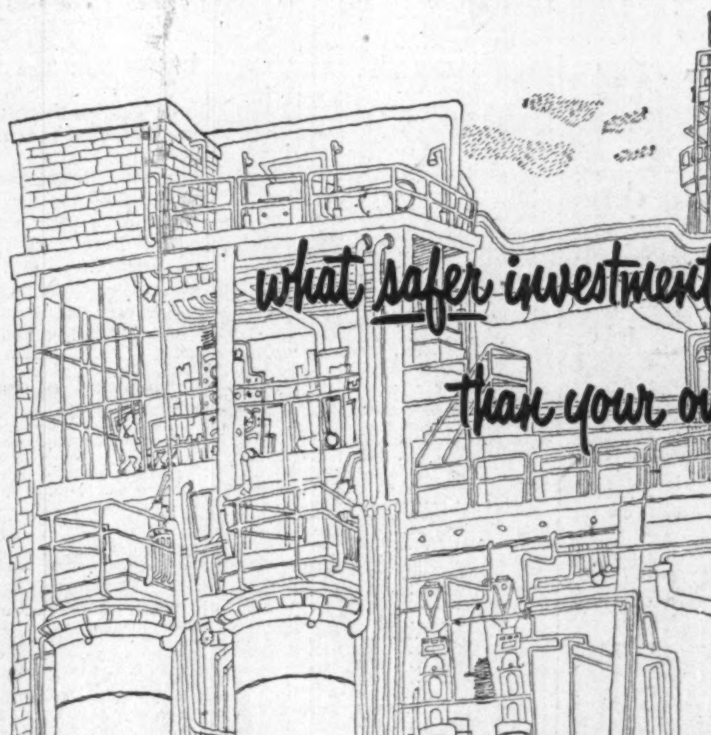

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DOW CANADA

Anacon Profits at Record Level Recently Sink-Float Plant May Be "In The Books"

By GORDON M. GRANT

Things appear to be shaping up for an unparalleled period of prosperity for Anacon Lead Mines in the last half of 1951.

In June, operating profits amounted to $107,965 — highest for any month yet — bringing operating profits for the first half of the year to $495,123. July results aren't available yet but are understood to have been fully up to the June level with the mill currently handling 610 tons daily.

While no decision has yet been made, new developments may conceivably lead to the practical doubling of present treatment rate. Initial experiments suggests that the company's mill feed is amenable to sink-float treatment. A sink-float unit may be installed ahead of the concentrator.

As a sink-float unit would only cost in the neighborhood of $50,000, odds appear rather weighted in its favor. Such a unit would not only assist in elimination of dilution of ore by waste but would also extend limits to which economic mining could be extended.

The expenditure on a sink-float plant would only be a minor item in view of the substantial improvement in the company's financial position this year. Balance sheet as at June 30, 1951, shows current assets of $758,174, including over $400,000 in the "cash category" as against current liabilities of $21,535. In addition, the company owns 800,010 shares of Montaubun Mines carried at $160,000 and with a market value of over $400,000.

At the end of 1950, the company had a bank overdraft of $89,517 while actual cash on hand only amounted to $1,631.

About 450 tons a day of ore is being drawn from the new higher grade "A" ore body opened from the new No. 4 shaft with balance drawn from the original workings. A total of 13 stopes has been started on "A" ore body and work is now getting well along. A few operating difficulties were experienced in this area but these appear to have been overcome. Ore results have been fully up to expectations in the big "A" ore shoot which is expected to prove a real profit booster. At the 7th level, there is at least 850 ft. of continuous ore opened up.

Calibre of ore can be gathered from the fact that at the annual meeting it was reported the south drift first 345 ft. on channel sampling across a 4.61-ft. width had averaged 8.85% zinc, 3.94% lead, 8.64 oz. silver and 0.115 oz. gold. The north drift had given 340 ft. averaging 8.16% zinc, 4.23% lead, 6.55 oz. silver and 0.377 oz. gold across 3.5 ft.

Considerable dilution was encountered in first mining of "A" ore body but a better control of this has been secured recently.

Drifting north has been resumed on the 7th level in the direction of the boundary with new United Lead & Zinc Mines.

Mica Situation Improved

It appears that the company is close to solution of the commercial recovery and utilization of the mica content of about 9% in its ore. Recent tests, by two agencies, have indicated a recovery of 96% is possible and it is expected steps will be taken to alter the flow sheet of the mica plant already installed so it can be brought into successful operation.

So far the company has not mined "C" ore body which showed 72,458 tons of good base metal ore at the end of 1950. Drives are now being extended from the original mine workings at the 2nd, 4th and 6th levels, to permit this ore body to be brought into the production figure, President M. J. Boylen reports.

Application is now being made for listing of the company's shares on the New York Curb Market.

Hallnor Net Lower In First Half of '51

Hallnor Mines earnings dropped considerably in the first six months of 1951, compared with first half of last year. Estimated net profit first half this year is $276,300, compared with $427,000 in the earlier period. Net profit per share dropped to 13.82c from 21.35c.

President James Y. Murdoch says the drop is chiefly due to unusually high recovery per ton in first half of 1950, due to complete treatment of an accumulation of high-grade material removed from a concentrate agitator shut down for repair, and to increased production costs. The company is not expected to qualify this year under the Emergency Gold Mining Assistance Act, he says.

Dividends of 7c a share were paid on March 1 and June 1 this year and 6c has been declared payable Sept. 1 to shareholders of record Aug. 10.

Some drifting and drilling was carried out on the 3,060 level but results were meagre. Further exploratory work is to be continued on the lower levels.

Pamour Porcupine Net Profit Drops

Estimated net profit of Pamour Porcupine Mines is down to $160,800 in first six months of 1951, from $171,100 in the same period last year. Net profit per share is 3.22c (3.42c).

Reasons are "mounting costs, resulting from spiralling inflation, and the fixed price of gold," says President James Y. Murdoch. Of the net profit, $119,000 ($83,000) was estimated credit under the Emergency Gold Mining Assistance Act, after taxes.

Sinking of the main shaft to 3,145 ft. was completed in March and driving started on the 2,200 east drift and 2,400 west drift. Deepening of the west shaft 1,000 ft. was commenced in April and is now at 400 ft. below the 1,400 ft. level.

Aunor Net Dips Test 2900 Level

Aunor Gold Mines shows a decrease in earnings in the first six months of this year, compared with the same period last year, because of increased costs.

Net profit in the six months is estimated at $243,200, 12.16c per share, compared with $313,000, or 15.65c per share, a year earlier. Revenue from gold production, miscellaneous income and estimated credit under the Emergency Gold Mining Assistance Act totaled $1,280,200 ($1,240,000).

Total tonnage milled was 87,600.

Development work consisted chiefly of drifting on the 2,900 ft. level towards the western ore zone. Progress has been slow, due to weak ground which has had to be timbered and concreted, says President James Y. Murdoch. The face is now 500 ft. from the shaft and 3,000 ft. from the west boundary.

Dome Profit Rises Sharply 2nd Quarter

Estimated net profit of Dome Mines in second quarter of 1951 is $444,904, more than one and a half times estimated net of first quarter, $2[illegible]39. Per share net profit rose to 23c from 15c.

This result was associated with a rise in estimated accrued benefits under the Emergency Gold Mining Assistance Act, to $120,000 from $60,000, and an increase in bullion production to $1,549,704 (from $1,482,756). Tonnage milled was 173,700 (170,000).

Rix Athabasca Adit In Pitch

Adit drift being extended on No. 1 zone of the Leonard series of radioactive fractures at Rix-Athabasca Uranium Mines has now been advanced 350 ft. from the portal with the structure continuing strong and considerable pitchblende in evidence in last two rounds.

Surface exploration of the zone ahead of the drift base has disclosed strong radio-activity for a known length of 90 ft. and this length and its extensions are now being trenched and sampled on surface.

A number of commercial grade uranium intersections have been secured in holes R-26 and R-27.

A more extensive and concentrated program of diamond drilling is now in progress to investigate the Leonard series in general as well as an expanded program of exploration of other important showings on the company's concession.

In the last round blasted from the face of a crosscut driven into the north wall of the adit at a point 7[illegible] ft. from the portal for a diamond drill setup, an excellent vein 1¼ ft. in width was exposed in the heading.

OBASKA LAKE MINES has received payment for July 28 option installment of 200,000 shares at 30c a share under agreement with Bruce Holdings. Issued capital is 3,127,505 shares, leaving 872,495 shares in treasury.

RED POPLAR GOLD MINES has received payment for 50,000 shares at 15c a share thereby completing the underwriting on 100,000 shares under agreement with Baltimore Securities. Issued capital is 2,438,905 shares leaving 1,561,095 shares in treasury.

MINING CORP. OF CANADA has five prospecting parties in the field and, in addition, three other parties are making geological examination of claims owned by the corporation. Participations have been taken in a number of prospecting syndicates.

Sapphire Plans Unusual Starts Off With Income

A new company getting into the thick of the western oil play has reversed the usual method to increase leaseholdings and develop production.

Sapphire Petroleums, formed last May, has launched its program by acquiring interests in several producing wells before purchasing its first quarter section of oil territory.

This, says a company official, assures a regular and substantial income during any financing period which may be considered advisable, and then through to completion of any wells to be drilled on property acquired in the future.

An interest ranging from 1% to 90% has been acquired in nine producing wells located in Leduc, Redwater and Turner Valley. Wells are also to be drilled on two proven well sites on the northeast quarter of Section 5, Township 49, Range 25 west of the 4th in which a 90% interest is held.

A 10% interest has been acquired in approximately 20,000 acres in the Pakowki area with Calvan Consolidated Oil & Gas Co. and it is their intention to drill shortly, as there is a market for gas, if drilling is successful, close to the pipeline leading to the Anaconda Copper Co. in Montana, U. S.

Of an authorized capital of 1.5 million shares, only 893,205 shares have been issued to date and there is an option outstanding on another 250,000 shares at $1.00 a share.

After all currently-proposed wells are completed, income is expected to approximate $200,000 annually, before taxes and depreciation. On this basis, and assuming the underwriting is completed and the option fully exercised, an annual earning rate of 17½ cents a share is visualized on 1,143,205 shares outstanding, before taxes and write-offs.

Sapphire's president is Watkin Samuel, Toronto mining engineer. Vice-president is John T. Frame, member of the Toronto Stock Exchange. Other directors are Monroe Abbey, Montreal, Charles Conacher, Pickering, Ontario, and W. H. Ripley, Calgary.

COMPANY REPORTS

NEW BRITISH DOMINION OIL is negotiating with New York for sale of a million shares of treasury stock, President T. L. Brook states in annual report for year ended March 3, 1951.

Sale would be for cash. This underwriting, if and when completed, would place the company "in an excellent position for development of its valuable holdings," says Mr. Brook.

The company hopes to participate "in the near future" in the Montana gas export market for defense use. In conjunction with Mid-Continent Oil & Gas it has completed a "very substantial" gas discovery in the Endon district adjoining the Pakowki gas field.

The company's operations for the 12 months ended March 31, 1951, have "undoubtedly shown the greatest progress that has been accomplished for many years," says Mr. Brook.

All the common stock has been purchased of Stettler Gas, which has a distribution system installation under way.

Company bought all acreage held by Great West Exploration and Redwater-Picadilly Petroleums in the Stettler area, together with the proven recoverable reserves of gas, distillate and crude oil. Link & Nauss Ltd. have estimated reserves at 131,000 bbl. of crude and distillate and 8.4 billion cu. ft. of natural gas, Mr. Brook states.

INCOME ACCOUNT

Years Ended Mar. 31:	1951	1950
Prod'n rev. (net)	$108,147	$102,833
Less: Royalties	17,815	19,206
Add: Other income	15,324	100
Total net rev.	105,656	83,747
Less: Admin. exps.	64,691	26,387
Prod. exps.	40,965	23,863
Tsf. to dev. res.	......	33,497
Net profit & surp.	nil	nil

CONDENSED BALANCE SHEET

As at Mar. 31:	1951	1950
Cash	$58,100	$2,732
Deposit re casing	15,000	......
Accts. rec., etc.	127,607	14,080
Total curr. assets	200,707	16,812
Deposits	37,928	27,928
Prepaid rentals	2,000	960
Cash in trust	15,000	....
Invest. in subsid.	1	3,043
Other invest.▲	165,860	377,875
Tax credits	34,821	......
Devel. acct.●	473,707	303,587
Plant & equip.†	45,374	32,343
Total assets	975,398	762,548
Bank loans	......	14,161
Accts. pay.	83,934	10,839
Other liabs.	......	259
Total curr. liabs.	83,934	25,259
Loan pay.	85,894	......
Tax credits	34,821	......
Depletion res.	......	1,198
Trust acct.	15,000	872
Capital stock	709,544	1,313,673
Less: Wells & leases w/o	......	487,374
Deficit	......	91,080
▲After res. of	......	17,270
●After res. of	56,159	488,643
†After depr. of	11,771	8,620
Capital surp.	46,205	......
Working capital	116,773	*8,447

*Excess of curr. assets over curr. liabs.

OSC Options

Following details on mining and oil company financing have been released by the Ontario Securities Commission.

STARCOURT GOLD MINES assigned all its interest in the underwriting and option agreement with Can-State Underwriters to Cornell & Seaford Ltd., as to the unexercised option on 1,050,000 shares. Mark-up to the assignor was ½c per share.

CENTRAL SUDBURY LEAD-ZINC MINES arranged to offer its shareholders the right to buy shares at 40c a share, offer to last till terminated by directors. Tower Financial Corp. has received an option on 568,690 shares at 20c to 30c. Tower Financial Corp. granted D. J. Scanlon & Co. a sub-option to buy 76,190 of the same shares at 21c a share. Authorized capital is 3,500,000 shares, $1 par; issue, 2,072,883 shares; escrowed, 848,500 shares.

PITCH-ORE URANIUM MINES reports Clifford R. Jenner to buy 300,000 shares at 5c and received an option on a further 800,000 shares. The agreement was revised and to date 300,000 at 5c a share and 130,000 at 10c have been taken up and paid for. Remaining under option are 370,000 shares at 10c to 40c a share.

CODY-RECO MINES has granted Charles F. Johnston an option on 1,249,000 shares at 50c to $1 a share. Special provisions are made for fixing of the dates on or by which options are exercisable.

MANCHICA MINING will offer shares direct to the public, through the officers of the company, on basis of 75% of proceeds going to treasury. Authorized capital 3,000,000 shares; issue, 1,000,005; escrowed, 900,000.

HY-FLO PETROLEUMS reports A. N. Richmond Ltd. fully exercised its option on a million shares and $235,000 has been paid to the company. Samuel John Robins transferred to William George Chipp as trustee 200,000 escrowed shares to be used for benefit of the company.

REBAIR GOLD MINES has granted John Murray Baird a five-month extension on payment dates for exercise of the balance of 375,000 optioned shares at 12c to 20c a share.

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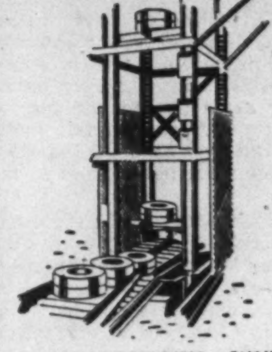
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LONDON CALLING—*By Adelphi*

London Has Its Gayest Fling Since 20's; Tourist Flow to Europe at 15-Yr. Record

LONDON—You'd need to be a psychologist, an economist and a psychiatrist to interpret exactly what is happening over here as July nears its end and the long silence of August arrives. Britain has always been an island of paradox but never more so than now.

In the social world there have been more big, costly parties than at any time since the 1920s. Such journals as the Tatler and the Queen which are devoted to the doings of society have been hard pushed to find space for it all.

Then there was Royal Ascot where once again it was decreed that no one, unless wearing formal dress, could be admitted. And even if you wore the correct dress there was no admittance if, by chance or mischance, you had ever been the guilty party in a divorce action.

The prizes at Ascot were huge. In fact the money value of the newly-created race called the Festival Stakes was the biggest in the history of British racing. But the story does not end there. Tourist travel from Britain to the continent will be bigger this August than it has been for 15 years.

* * *

Cheating Chancellor Or Post-Budget Boom?

Temperamentally it is easier to explain than financially. Perhaps the old axiom "Eat drink and be merry for tomorrow you die" has something to do with it. There is no doubt a feeling that one might as well spend a portion of one's capital and not hand it over to some Socialist chancellor of the future. A more normal explanation, even though it is only a partial one, is that capital gains are not taxable and the stock market has had a considerable post-Budget boom.

I have never heard any financial expert put this point of view but it seems to me that expenditure on huge dances in London is helpful to the general economy. The purchase of champagne, the one invariable drink at such affairs, helps to enable France to pay for the goods she needs from us and the whole affair employs the minimum of labor and uses the minimum of goods and commodities.

There are no doubt some economists, who would not accept my theory that extravagance is the least harmful of expenditure, but it is worth their consideration.

* * *

Honesty Commendable, Judgment Doubtful

However Chancellor Gaitskell has just applied a cold douche to investors. With an honesty that is commendable but with a judgment that is doubtful he declared that the sustained increases in dividend distribution have become "an irritant to the workers." One can understand that, but should a Chancellor place restrictions upon one sector of the community merely because it displeases the other? The obvious answer is that the only consideration should be the good of the nation as a whole.

So once more dividends are to be pegged this time at the average paid over the last two years. That will take some toll of the fellows who boosted their dividends this year but will still more penalize those companies who have been conservative and cautious and cannot now pay to their shareholders anything extra for their patience.

In fact, the one quality which is doomed and damned under Socialism is thrift. I agree that the Conservative Government, when war broke out, similarly discriminated against the cautious companies and honored the others by pegging all dividends at the immediate prewar level but war makes its own laws.

There is no such excuse in peace time.

* * *

Wilson Sees More Empire Preference

The most interesting speech in the economic debate came from Harold Wilson who resigned from the Board of Trade to join Bevan's rebel clique. He argued that nothing could prevent the continuing of world inflation as long as the United States maintained an expanding rearmament program plus an expanding home economy. Unless U. S. would submit to a curtailment of the home market the rest of the world would be driven toward inevitable economic collapse.

He also predicted that instead of curtailment of Imperial Preference there would have to be an extension of it. That is a strange song for a Socialist but he spoke the words with sincerity and determination.

* * *

Socialist Hoax In Churchill Poll

There was a light relief however on the political scene when Colonel Wigg of the Socialists went to Scotland Yard and admitted that he played a hoax on the weekly Recorder. You may remember that last week I told you of the misguided action of the Recorder in sending a card to every Tory M.P. asking him to state anonymously, whether he thought the party would do better at the next election (a) with Churchill as leader (b) with someone else. The Tories were furious and quite rightly decided to tear up the cards.

But to the astonishment of the Recorder, which is very pro-Churchill, some 80 envelopes, postmarked from the House of Commons, arrived at its office with cards that indicated a heavy majority against Churchill. Fortunately the publisher grew suspicious and was able, by examining the cards, to prove that they were forgery. He then informed the police. When Joker Wigg heard this he went and confessed.

The whole of political London is rocking with laughter except the hierarchy of the Conservative Party which feels, quite rightly, that the whole incident is undignified and harmful. Fortunately for Wigg, who is a bit of a wag, the House will rise before anything could be done about it—unless someone acts very swiftly.

* * *

John Bassett is staying with Lord Beaverbrook at his country house. Mr. Bassett lunched at the Daily Express office Wednesday and was in great form. I gather however that he was not as enamored of his native Ireland (which he has just revisited) as he expected to be.

* * *

On Tuesday 50 pretty Canadian girls, sent here by Garfield Weston, sang the Maple Leaf and Alouette on the Terrace of the House of Commons, causing members to lean out of the windows and applaud with delight. Chuter Ede welcomed them on behalf of the Government; Lady Maxwell Fyfe as vice-chairman of the Tory Party did her bit although the girls were more excited to learn that she is the sister of Rex Harrison the film star; and Clem Davies spoke as the leader of the disappearing Liberal Party. Half a dozen other M.P.s acted as luncheon hosts and guides around the Houses of Parliament.

Southam Co. Earnings Up

Net profit of Southam Co. for the six months ended June 30, 1951, was $647,228, equal to 86c a common share, up 7.2% from $604,008 or 80c a common share for the first half of 1950, according to the interim statement sent shareholders. Figures are subject to audit.

To meet recent increases in the price of newsprint, in newspaper postal rates and in other items company has made some increases in newspaper subscription and advertising rates and general printing prices, President Philip S. Fisher says.

Gross revenues for the first half of 1951 increased substantially to $10,824,436 ($9,716,797 in first half of 1950). General operating expenditures increased to $9,164,999 ($8,485,801), depreciation to $293,609 ($197,987) and income taxes to $618,600 ($329,000).

The company is continuing its program of expanding and improving production facilities but has nevertheless slightly improved its liquid capital position, Mr. Fisher says.

Union Gas Line Nears Completion

Construction of the 61-mile, $2.5 million natural gas pipeline from Windsor to the Dawn underground storage station of Union Gas Co. of Canada is rapidly nearing completion.

The line—the biggest natural gas line construction job in Eastern Canada—will permit import of larger quantities of natural gas from U. S., will also improve winter distribution of gas in the Union Gas system in western Ontario.

Union Gas is now receiving gas at a daily rate of about 15 million cu. ft. from U. S. At present this gas has to be carried through the transmission line system from Windsor via Port Alma to the storage area in Lambton County. Size and type of construction of this line limit volume of gas which can be transmitted. The new line will permit transmission of greater volumes of gas and will carry it directly to the underground storage fields. During periods when gas is not being imported, the line can be used to carry gas from the storage area to Windsor by a direct route.

Construction of line started last fall when a few miles were laid on each side of the Thames River where it empties into Lake St. Clair. When work was resumed this spring, Shaw Construction Co. crews started working southward from the Dawn storage area. Remainder of line into Windsor will be completed within next two weeks. After that comes biggest single job in the line, the 500-ft. crossing of the Thames River. It is expected that the line will be completed and in operation by late August or early September.

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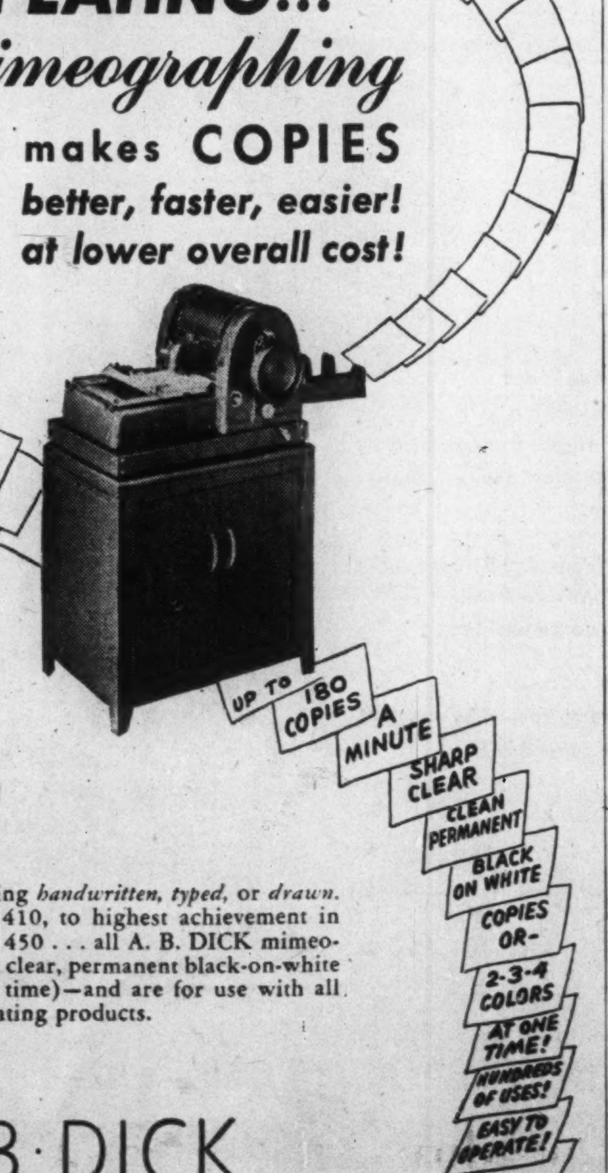

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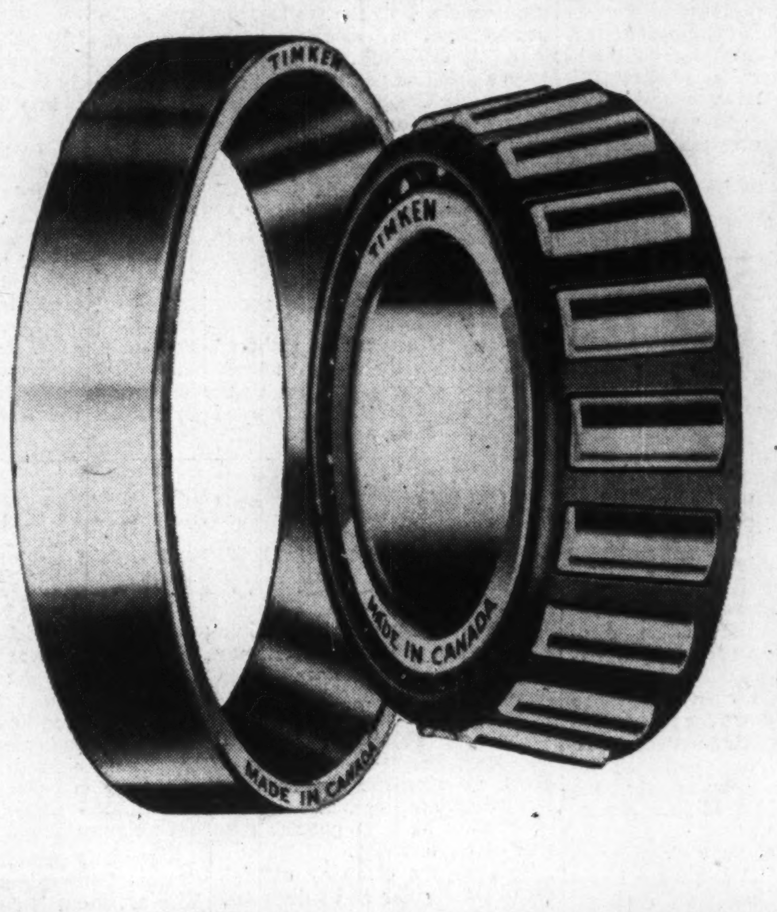

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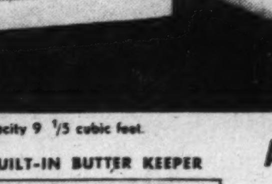

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